001

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: U-01194-A-ST	6. SURFACE: State
7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
8. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT	
9. WELL NAME and NUMBER: NBU 442	
10. FIELD AND POOL, OR WILDCAT: Natural Buttes	
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 35 9S 21E	
12. COUNTY: Uintah	13. STATE: UTAH

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☑ MULTIPLE ZONE ☐

2. NAME OF OPERATOR: El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR: P.O. Box 1148 CITY Vernal STATE UT ZIP 84078

PHONE NUMBER:

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1964' FSL & 815' FWL 4427539 Y 39.99054
625949 X -109.52476
AT PROPOSED PRODUCING ZONE:

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 15.8 Miles Southeast of Ouray, UT

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
860	802.97	40
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
Refer to Topo C	8,400	400JU0705
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5065 GL		10 Days

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
11-12 1/4	8 5/8 or 9 5/8	250	Refer to 10 pt program
7 7/8	4 1/2 or 5 1/2	8,400	Refer to 10 pt program

CONFIDENTIAL

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
☐ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☑ COMPLETE DRILLING PLAN
☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

RECEIVED
NOV 2 2 2002
DIVISION OF OIL, GAS AND MINING

NAME (PLEASE PRINT) Cheryl Cameron TITLE Operations

SIGNATURE Cheryl Cameron DATE 11/18/2002

(This space for State use only)

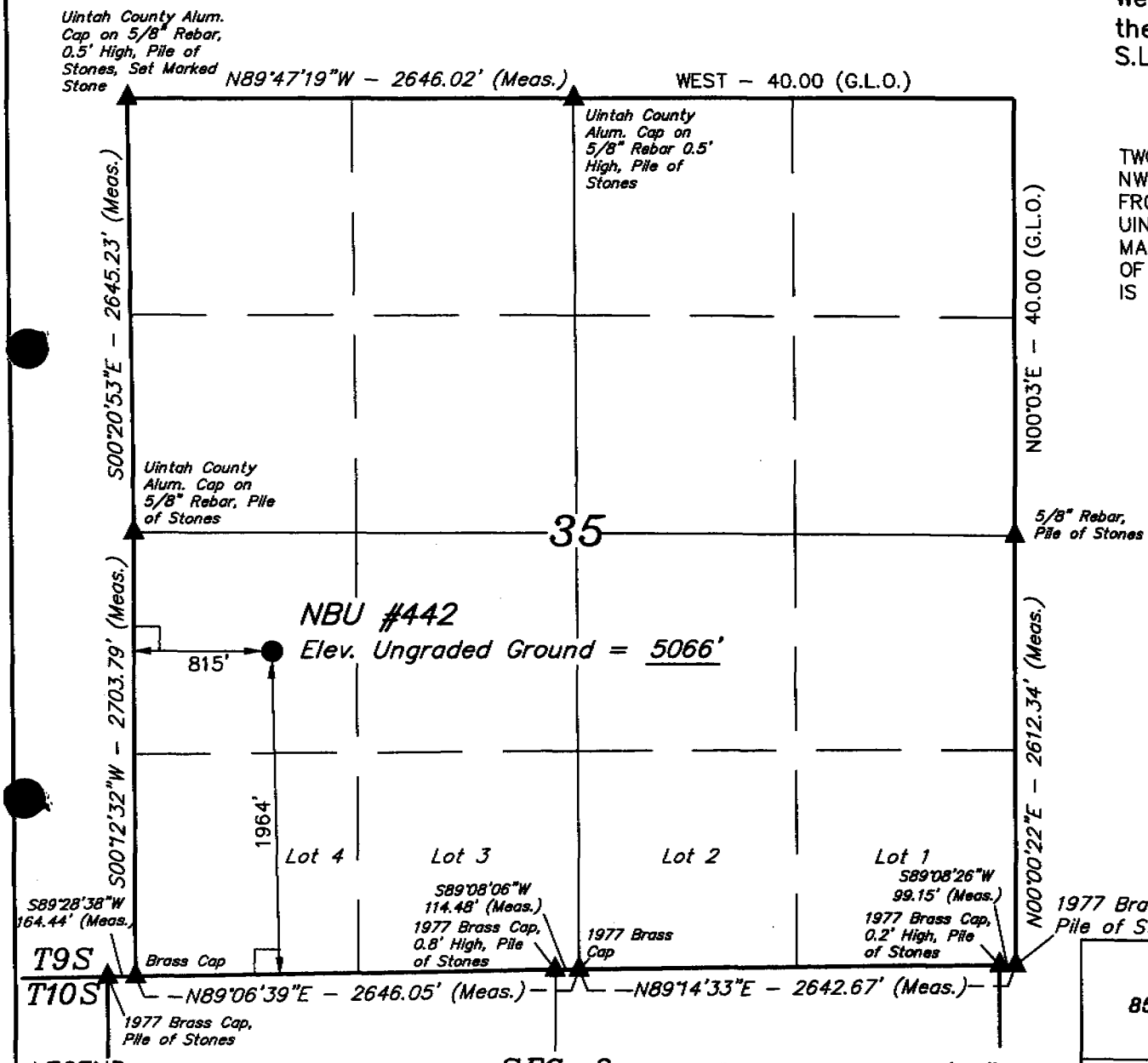
API NUMBER ASSIGNED: 43-047-34788

APPROVAL:

Approved by the Utah Division of Oil, Gas and Mining
Date: 01-29-03
By:

(11/2001) (See Instructions on Reverse Side)

T9S, R21E, S.L.B.&M.

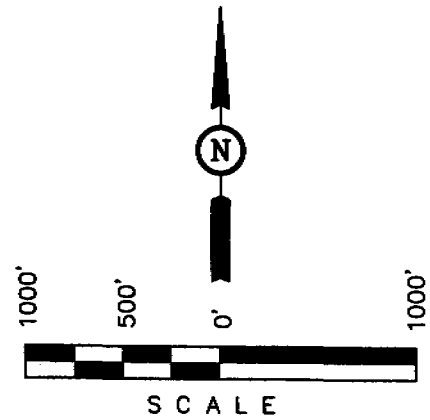


EL PASO PRODUCTION OIL & GAS COMPANY

Well location, NBU #442, located as shown in the NW 1/4 SW 1/4 of Section 35, T9S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L. Kay

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

ROBERT L. KAY

LATITUDE = 39°59'26"
LONGITUDE = 109°31'32"

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

LEGEND:

- └ = 90° SYMBOL
- ● = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

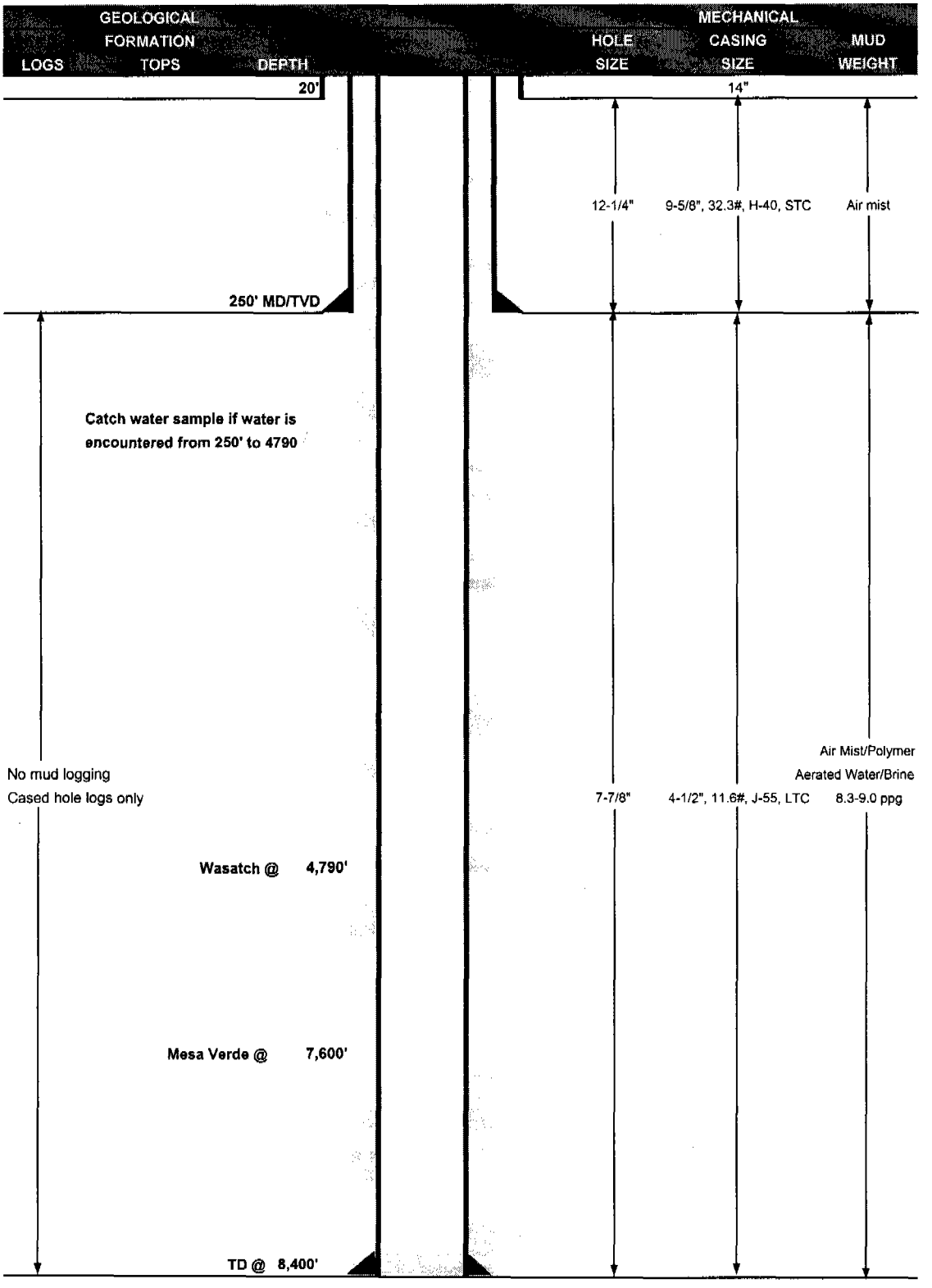
UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 12-27-01	DATE DRAWN: 1-2-02
PARTY: G.S. K.S. C.G.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: EL PASO PRODUCTION OIL & GAS COMPANY	

elpaso Production

DRILLING PROGRAM FOR APD

COMPANY NAME	El Paso Production Company		DATE	January 16, 2003	
WELL NAME	**NBU 442**		TD	8,400' MD/TVD	
FIELD	Natural Buttes	COUNTY Uintah STATE Utah	ELEVATION	5,065' KB	
SURFACE LOCATION	1964' FSL, 815' FWL, NWSW, SEC. 35, T9S, R21E			BHL	*Straight Hole*
OBJECTIVE ZONE(S)	Wasatch, Mesa Verde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM, Tri-County Health Dept.				



elpaso Production

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-20'						
						2270	1370	254000
SURFACE	9-5/8"	0-250'	32.30	H-40	STC	16.19	11.71	4.37
						5350	4960	162000
PRODUCTION	4-1/2"	0-TD	11.60	J-55	LTC	1.80	1.26	1.10

1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe - Gas Gradient (0.115 psi/ft))(TVD)

2) MASP (Int Casing) = Pore Pressure at Next Casing Point - (Gas Gradient x TVD of Next Casing Point x 0.67) - (Mud Weight x TVD x 0.052 x 0.33)

3) MASP (Prod Casing) = Pore Pressure - (Gas Gradient x TVD of Production Interval)

(Burst Assumptions: FG @ 9-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing, 50000 lbs overpull)

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE		250	Class G + 2% CaCl2 + 0.25 pps celloflake	140	35%	15.80	1.16
PRODUCTION	LEAD	4,290'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	460	60%	11.00	3.38
	TAIL	4,110'	50/50 Poz/G + 10% salt + 2% gel	1150	60%	14.30	1.31

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 3M with one annular and 2 rams. Test to 3,000 psi (annular to 1,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys on bit trips. Maximum allowable hole angle is 5 degrees.

Prepared by: C. Cameron

DRILLING ENGINEER: _____ **DATE:** _____

Dan Lindsey

003

NBU 442
NWSW Sec. 35, T9S, R21E
Uintah County, UT
U-01194-A-ST

EL PASO PRODUCTION COMPANY

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

Formation	Depth
KB	5090'
Wasatch	4790'
Mesaverde	7600'
Total Depth	8400'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

Substance	Formation	Depth
	Wasatch	4790'
Gas	Mesaverde	7600'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.

The hydrill will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 3,000 psi.

4. **Proposed Casing Program:** See Sundry dated 1/16/03

Purpose	Depth	Hole Size	Casing Size	Wt/ft	Grade	Type
Surface	0-250'	11" or 12 ¼"	8 5/8" or 9 5/8"	24#, 32.3#, 36#, or 40#	K-55, H-40, or J-55	ST&C
Production	0-TD	7 7/8"	4 ½" or 5 ½"	11.6#	N-80	LT&C

The proposed casing and cementing program shall be conducted as approved to to protect and/or isolate all usable water zones potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation that will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics.

All casing, except conductor casing, shall be new or reconditioned and tested. Used casing shall meet or exceed API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing. If drive pipe is used, it may be left in place if its total length is less than twenty feet below the surface. If the total length of the drive pipe is equal to or greater than twenty feet, it will be pulled prior to cementing surface casing, or it will be cemented in place.

As a minimum, usable water zones shall be isolated and/or protected by having a cement top for the production casing at least 200 feet above the base of the usable water. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc., shall be utilized to help isolate the cement from contamination by the mud being displaced ahead of the cement slurry.

Maximum anticipated bottom hole pressure calculated @ 8400 TD approximately equals 3300 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1512 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot.

All casing strings below the conductor shall be pressure tested to 0.22 psi/foot of casing string length or to 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action shall be taken.

Casing design is subject to revision based on geologic conditions encountered.

Proposed Cementing Program: See Sundry dated 1/16/03

Surface	Fill	Type & Amount
0-250'	250'	A minimum of 85 sx Class "G" + 2% $CaCl_2$, 15.6 ppg, 1.19 cf/sx (Cement will be circulated to surface, about 25% excess)

Production	Type & Amount
200' above the top-most resource interval	Lead: Extended, Lite, or Hi-Fill cement + additives, 11 or 12 ppg, 2.69 cf/sx
TD-500' above productive internal	Tail: Extended Class "G" or 50:50 Poz + additives, 14 ppg, or RFC, 14.0 – 14.5 ppg, 1.57 cf/sx.

For production casing, actual cement volumes will be determined from the calculated hole volume + 60% excess, minimum. Cement volumes will include an amount sufficient to circulate to surface, if possible. Operator will continue to attempt to circulate cement to surface, but at a minimum, circulation will be 200' above the top of the Green River Formation, or as directed by the Authorized Officer (AO) or Acting, or as specified in the Conditions of Approval (COA) in the Application for Permit to Drill (APD).

For surface casing, waiting on cement time will be adequate to achieve 500 psi compressive strength at the casing shoe prior to drilling out.

Anticipated cement tops will be reported as to depth, not the expected number of sacks of cement to be used. The Division of Oil, Gas, and Mining (DOGM) Office shall be notified, with sufficient lead time, in order to have a DOGM representative on location while running all casing strings and cementing.

After cementing the surface pipe and/or any intermediate strings, but before commencing any test, The casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the Driller's Log.

Auxiliary Well Control Equipment to Be Used:

Kelly Cock
A sub with a full opening (TIW) valve having threads compatible with drill string tubulars.

5. **Drilling Fluids Program:**

WASATCH

Interval	Type	Mud Weight
0-TD	Air/Air Mist/Aerated Water/Water (as hole conditions Warrant) Displace Hole to 10 ppg brine mud, prior to logging.	8.4 ppg or less

MESAVERDE

Interval	Type	Mud Weight
0-TD	Air/Air Mist/Aerated Water/Water (as hole conditions warrant) Depending on hole conditions, the hole will be displaced to either 10 ppg brine or drilling mud prior to logging. If hole conditions warrant, a mud system will be used.	8.4 ppg or less

No chromate additives will be used in the mud system prior to approval to ensure adequate protection of fresh water aquifers.

No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of this well.

6. **Evaluation Program:**

The Evaluation Program may change at the discretion of the well site geologist with approval by The Authorized Officer.

Cased Hole Logs Only

GR/Dipole Sonic/Neutron:	TD-500' above the Wasatch Formation (to surface at times)
Drill Stem Tests:	As deemed necessary
Cores:	As deemed necessary

When cement has not been circulated to surface, the cement top will be determined by Either a temperature survey or cement bond log. Should a temperature survey fail to Locate the cement top, a cement bond log shall be run.

Open Hole Logs

PEX:	From TD - Surface

7. **Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered or is known to exist from previous drilling in the area at this depth.

8. **Variances:**

Operator requests approval to perform drilling operations without an automatic igniter because drilling will be performed with an air/mist medium.

9. **Other Information:**

All loading lines will be placed inside the berm surrounding the tank battery.

10. **Anticipated Starting Dates & Notification of Operations:**

Anticipated commencement date shall be upon approval of the proposed APD.

Drilling Days:	Approximately 10 days
Completion Days:	Approximately 7 days

NBU 442
NWSW Sec. 35, T9S, R21E
Uintah County, UT
U-01194-A-ST

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to the attached directions to the proposed location site.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

Improvements to existing access roads shall be determined at the on-site inspection.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet, ***unless modified at the on-site inspection***. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities**

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon (2.5Y 6/2).

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo Map D for the proposed pipeline placement.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids. ***The need for a reserve pit liner will be determined at the on-site inspection.***

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S,R19E.

8. Ancillary Facilities:

None are anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s). ***This section is subject to modification as a result of the on-site inspection.***

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

If it is determined that a pit liner will be used at the on-site inspection, the reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile (s), and surface material stockpile(s).

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of

irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

State of Utah
SITLA
675 East 500 South
Salt Lake City, UT 84102-2818

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey has been conducted. A copy of this report is attached.

This proposed location is not within 460 feet from the boundary of the Natural Buttes Unit, nor is it within 460 feet of any non-committed tract lying within the boundaries of the Unit.

13. **Lessee's or Operators's Representative & Certifcation:**

Cheryl Cameron
Regulatory Analyst
El Paso Production Company
P.O. Box 1148
Vernal, UT 84078
(435) 781-7023

Scott Palmer
Drilling Manager
El Paso Production Company
9 Greenway Plaza
Houston, TX 77046
(832) 676-3391

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

El Paso Production Company is considered to be the operator of the subject well. El Paso Production Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by El Paso Production Company, State Bond No. 400JU0705.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Cheryl Cameron

Cheryl Cameron

11/18/02
Date

ORIGINAL

CULTURAL RESOURCE INVENTORY OF EL PASO PRODUCTION'S SEVEN WELL LOCATIONS IN NATURAL BUTTES, UINTAH COUNTY, UTAH

Keith R. Montgomery

Prepared For:

Bureau of Land Management
(Vernal Field Office)
and
State of Utah
School and Institutional Trust Land Administration

Prepared Under Contract With:

El Paso Production Oil and Gas Company
1368 South 1200 East
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants
P.O. Box 147
Moab, Utah 84532

MOAC Report No. 02-42

March 26, 2002

United States Department of Interior (FLPMA)
Permit No. 01-UT-60122

State of Utah Antiquities Project (Survey)
Permit No. U-02-MQ-0124b,s

INTRODUCTION

A cultural resource inventory was conducted by Montgomery Archaeological Consultants (MOAC) in March 2002 for El Paso Production Oil and Gas Company's seven proposed well locations. The proposed well locations with access and pipeline corridors are situated in the Natural Buttes area, southeast of Ouray, Utah (Figures 1, 2, and 3). The survey was implemented at the request of Mr. Carroll Estes, El Paso Production Oil and Gas Company, Vernal, Utah. The project is situated on land administered by the Bureau of Land Management (BLM), Vernal Field Office, and by the State of Utah, School and Institutional Trust Land Administration (SITLA).

The objective of the inventory was to locate, document, and evaluate any cultural resources within the project area in order to comply with Section 106 of 36 CFR 800, the National Historic Preservation Act of 1966 (as amended). Also, the inventory was implemented to attain compliance with a number of federal and state mandates, including the National Environmental and Policy Act of 1969, the Archaeological and Historic Conservation Act of 1972, the Archaeological Resources Protection Act of 1979, the American Indian Religious Freedom Act of 1978, and Utah State Antiquities Act of 1973 (amended 1990).

The fieldwork was performed on March 20, 21, and 22, 2002 by Keith R. Montgomery, (Principal Investigator). The project was initiated under the auspices of U.S.D.I. (FLPMA) Permit No. 01-UT-60122 and State of Utah Antiquities Permit (Survey) No. U-02-MQ-0124b,s issued to MOAC.

A file search was performed by Keith Montgomery at the BLM Vernal Field Office on March 5, 2002. This consultation indicated that several archaeological inventories have been completed in or near the project area. In 1979, Archaeological-Environmental Research Corporation (AERC) conducted a survey of sample areas within the Natural Buttes oil and gas field for the BLM (Hauck, et.al. 1979). The survey resulted in the discovery of 20 sites, 18 of which were prehistoric, and 10 isolated finds of artifacts. One of the sites (42UN660) occurs near proposed well location NBU #436, and consists of a prehistoric temporary camp with a variety of tools and some artifacts indicating a small historic component. None of the sites found by AERC are located immediately within the project areas. In 1981, Brigham Young University completed the Magic Circle Cottonwood Wash inventory (Thompson 1981). None of the sites documented in this study occur within the current project area. In 1981, BYU also completed an inventory for the TOSCO Corporation shale oil recovery plant and facilities (Nielson 1981). None of the sites documented are in or near the project areas. In 1991, Metcalf Archaeological Consultants (MAC) inventoried eighteen Natural Butte well locations for Coastal Oil and Gas (O'Brian, et. al. 1991). None of the cultural resources inventoried occur near or within the current project areas. Metcalf Archaeological Consultants surveyed a number of well locations for Coastal Oil & Gas Corporation in 1997 (Spath 1997), none of which are in the current project areas. In 2001 and 2002, Montgomery Archaeological Consultants inventoried

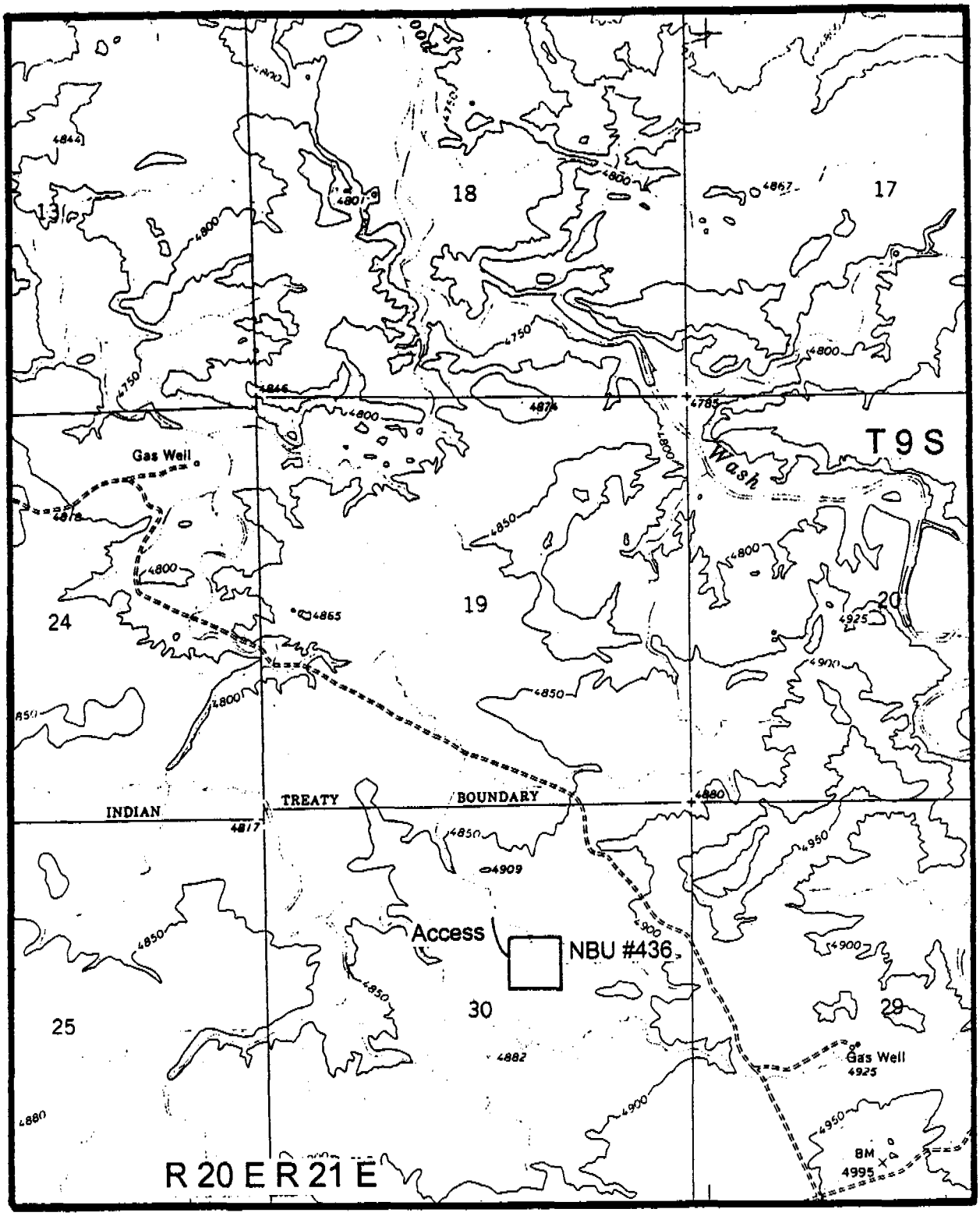


Figure 1. Inventory Area of El Paso Production Oil and Gas Company's NBU #436 Well Location. USGS 7.5' Ouray SE, Utah 1964. Scale 1:24000.

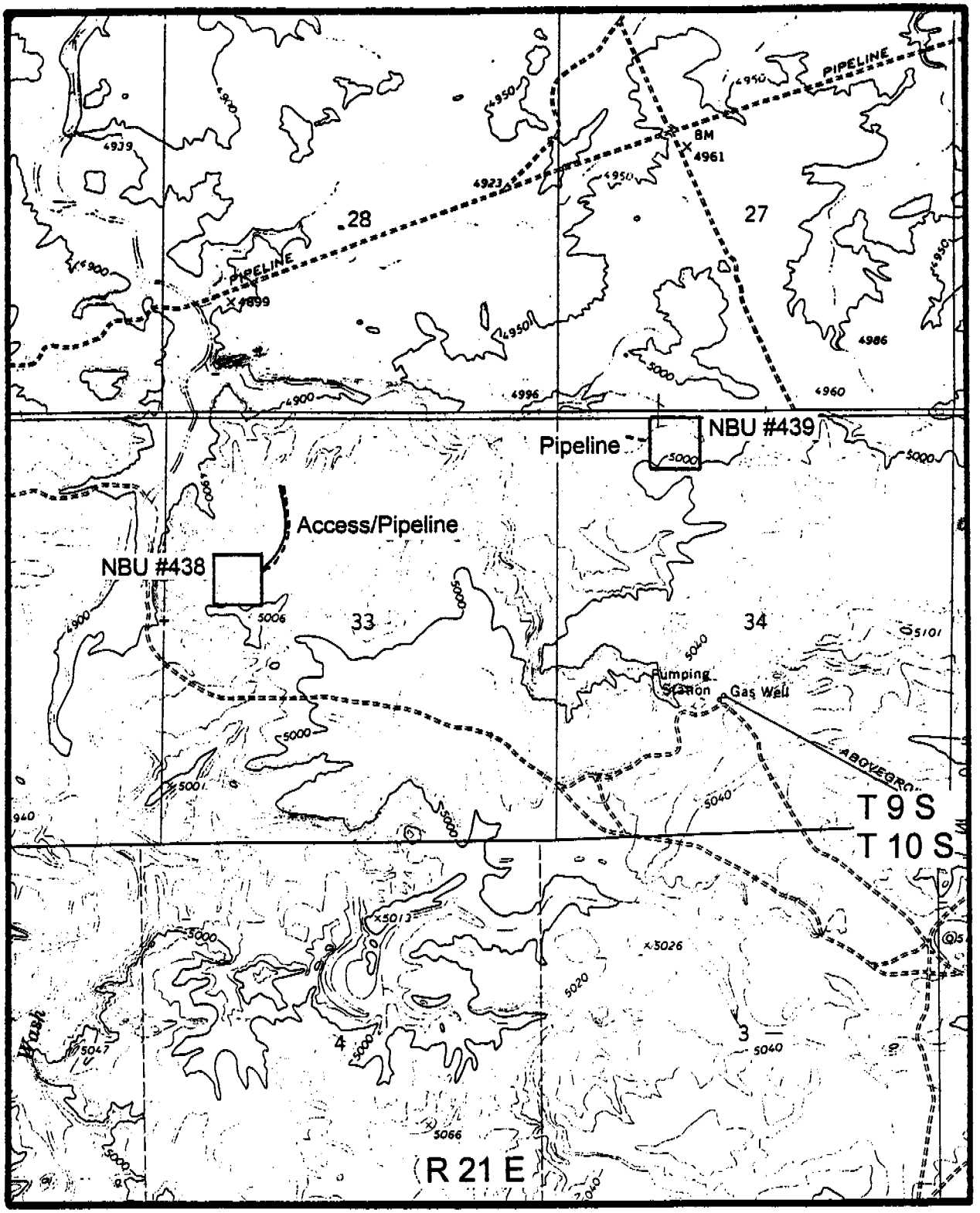


Figure 2. Inventory Area of El Paso Production Oil and Gas Company's NBU #438 and NBU #439 Well Locations. USGS 7.5' Ouray SE, Utah 1964 and Big Pack Mtn. NE, Utah 1987. Scale 1:24000.

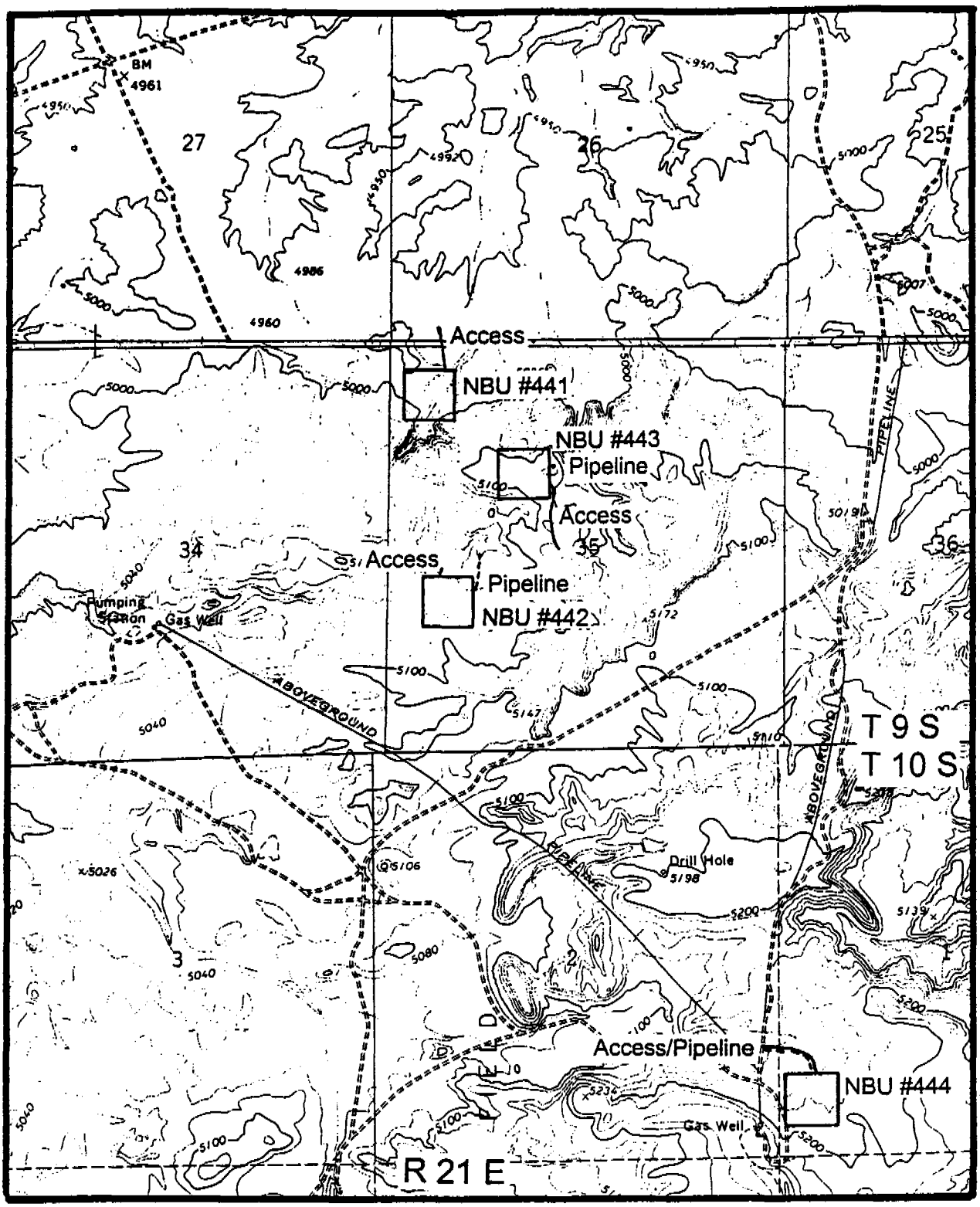


Figure 3. Inventory Area of El Paso Production Oil and Gas Company's NBU #441, NBU #442, NBU #443 and NBU #444 Well Locations. USGS 7.5' Ouray SE, Utah 1964 and Big Pack Mtn. NE, Utah 1987. Scale 1:24000.

35 El Paso Production's well locations in the Natural Buttes area (Montgomery 2001a, 2001b, 2001c, 2001d, 2002; Montgomery and Ball 2001). No archaeological sites have been documented in the immediate project areas in any of these previous inventories.

DESCRIPTION OF PROJECT AREA

The seven proposed El Paso Production well locations, access and pipeline corridors are situated in the Natural Buttes Field, southeast of Ouray, Utah (Table 1). The legal description is T 9S, R 21E, Sections 26, 30, 33, 34 and 35 and T 10S, R 21E, Sections 1and 2 (USGS 7.5' Ouray SE Quadrangle; USGS 7.5' Big Pack Mtn. NE Quadrangle).

Table 1. El Paso Production's Natural Butte Seven Well Locations

Well Location Designation	Legal Location	Location at Surface	Access/Pipeline	Cultural Resources
NBU #436	T 9S, R 21E, Sec. 30	2080' FNL 2125' FEL	Access 600'	None
NBU #438	T 9S, R 21E, Sec. 33	2133' FNL 986' FWL	Access/Pipeline1200'	None
NBU #439	T 9S, R 21E, Sec. 34	345' FNL 1687' FWL	Pipeline 300'	None
NBU #441	T 9S, R 21E, Sec. 26 and 35	612' FNL 506" FWL	Access 600'	None
NBU #442	T 9S, R 21E, Sec. 35	1964' FSL 815' FWL	Access 100' Pipeline 500'	None
NBU #443	T 9S, R 21E, Sec. 35	1679' FNL 1741" FWL	Access 900' Pipeline 50'	None
NBU #444	T 10S, R 21E, Sec. 1 and 2	704' FSL 460' FWL	Access/Pipeline 900'	None

Environment

The study area lies within the Uinta Basin physiographic unit, a distinctly bowl-shaped geologic structure (Stokes 1986:231). The Uinta Basin ecosystem is within the Green River drainage, considered to be the northernmost extension of the Colorado Plateau. The geology is comprised of Tertiary age deposits which include Paleocene age deposits, and Eocene age fluvial and lacustrine sedimentary rocks. The Uinta Formation, which is predominate in the project area, occurs as eroded outcrops formed by fluvial deposited, stream laid interbedded sandstone and mudstone, and is known for its prolific paleontological localities. Specifically, the project area occurs on the east and west sides

of Cottonwood Wash on the valley floors which are interspersed by flat topped buttes and narrow steep-sided ridges. The area is heavily dissected and carved by ephemeral drainages. The surface geology consists of hard pan residual soil armored with shale and sandstone pebbles as well as some sand shadows. The elevation averages 5200 feet a.s.l. The project occurs within the Upper Sonoran Desert Shrub Association which includes shadscale, greasewood, mat saltbrush, snakeweed, rabbitbrush, prickly pear cactus, Indian ricegrass and non-native plants and grasses. Modern disturbances include roads, and oil/gas development.

SURVEY METHODOLOGY

An intensive pedestrian survey was performed for this project which is considered 100% coverage. At each of the proposed well locations, a ten acre area centered on the center stake of the location was surveyed by the archaeologists walking parallel transects spaced no more than 30 feet apart. The access and pipeline corridors were 100 feet wide, surveyed by walking parallel transects along the staked centerline, spaced no more than 10 m (30 ft) apart. A wider corridor (150 foot) was inspected when access/pipeline routes shared a corridor. Ground visibility was considered to be good. A total of 84.23 acres was inventoried, 24.48 on BLM (Vernal Field Office) administered land and 59.75 on State of Utah SITLA land.

RESULTS AND RECOMMENDATIONS

The inventory of the seven proposed El Paso Production Oil and Gas Company well locations resulted in the location of no archaeological resources. Based on the findings, a determination of "no historic properties affected" is recommended for this undertaking pursuant to Section 106, CFR 800.

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2001c Cultural Resource Inventory of El Paso Production's Natural Buttes 11 Well Locations, Uintah County, Utah. Montgomery Archaeological Consultants, Moab, Utah. Project No. U-01-MQ-0738b. On file at the BLM Vernal Field Office.

2001d Cultural Resource Inventory of El Paso Production's Natural Buttes 8 Well Locations, Uintah County, Utah. Montgomery Archaeological Consultants, Moab, Utah. Project No. U-01-MQ-0723b. On file at the BLM Vernal Field Office.

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Thompson, C.
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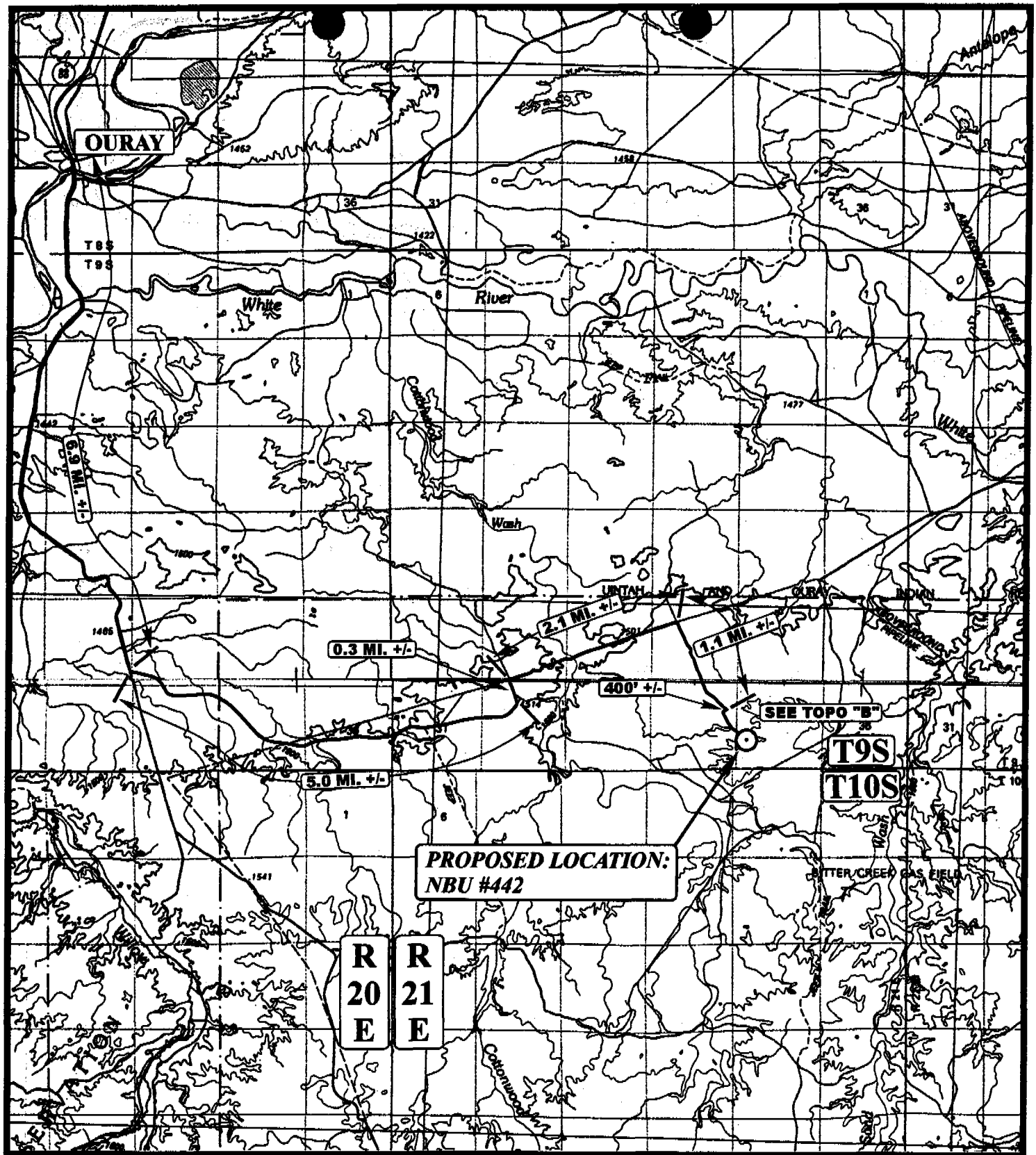
EL PASO PRODUCTION OIL & GAS COMPANY

NBU #442

SECTION 35, T9S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN NORTHERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 400' TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 300' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 100' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED LOCATION IS APPROXIMATELY 46.8 MILES.



LEGEND:

⊙ PROPOSED LOCATION

N

EL PASO PRODUCTION OIL & GAS COMPANY

NBU #442
SECTION 35, T9S, R21E, S.L.B.&M.
1964' FSL 815' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	1 MONTH	2 DAY	02 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: P.M.	REVISED: 00-00-00		

EL PASO PRODUCTION OIL & GAS COMPANY

NBU #442

LOCATED IN UINTAH COUNTY, UTAH
SECTION 35, T9S, R21E, S.L.B.&M.

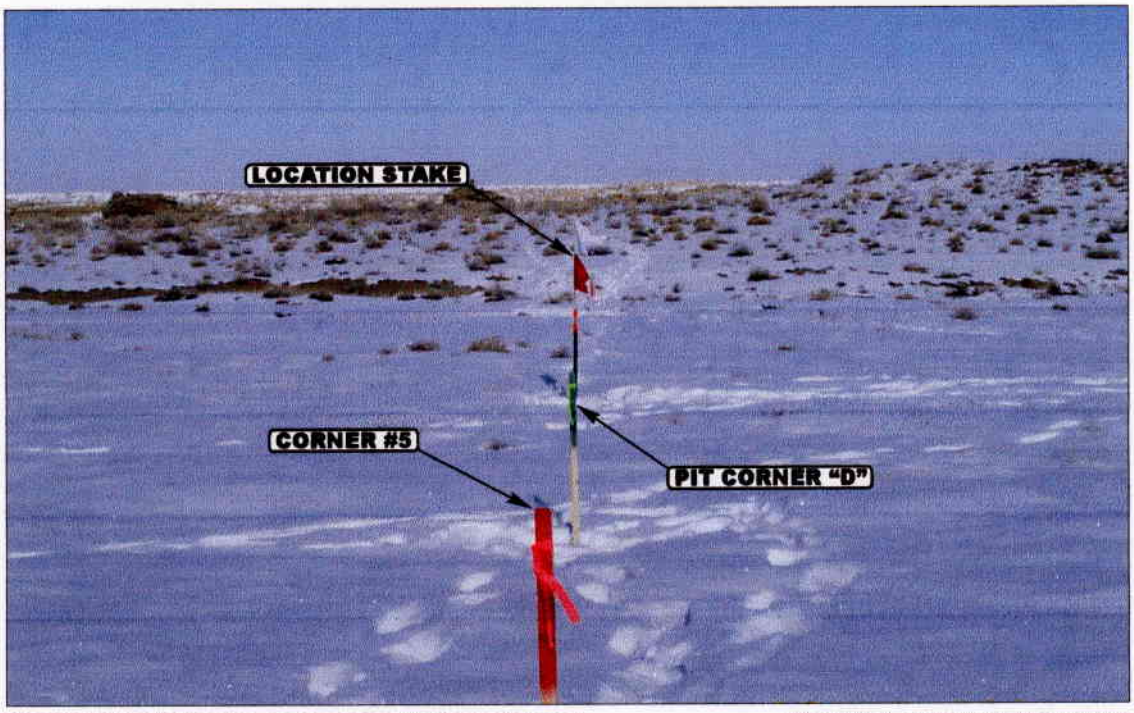


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHEASTERLY**

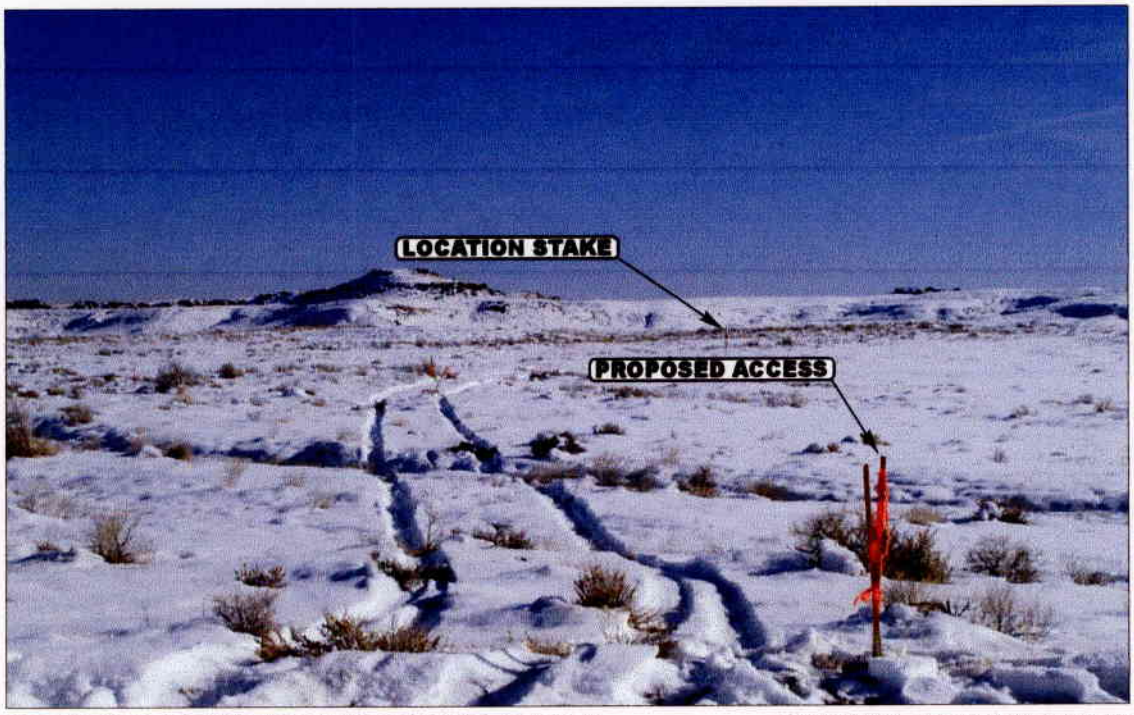
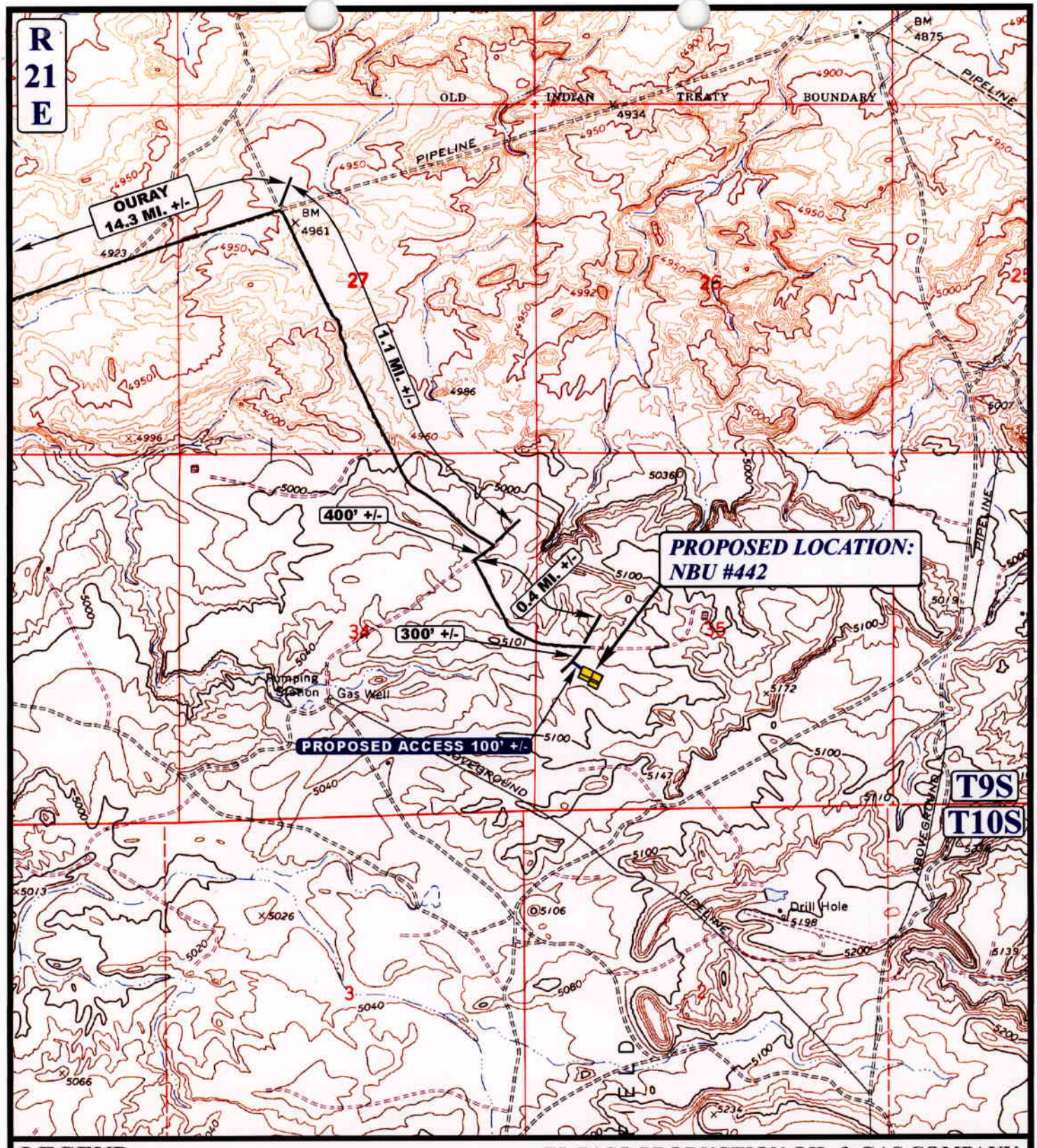


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: SOUTHEASTERLY**

- Since 1964 -

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	1 MONTH	2 DAY	02 YEAR	PHOTO
TAKEN BY: G.S.	DRAWN BY: P.M.	REVISED: 00-00-00		



LEGEND:

PROPOSED ACCESS ROAD

EXISTING ROAD

N

EL PASO PRODUCTION OIL & GAS COMPANY

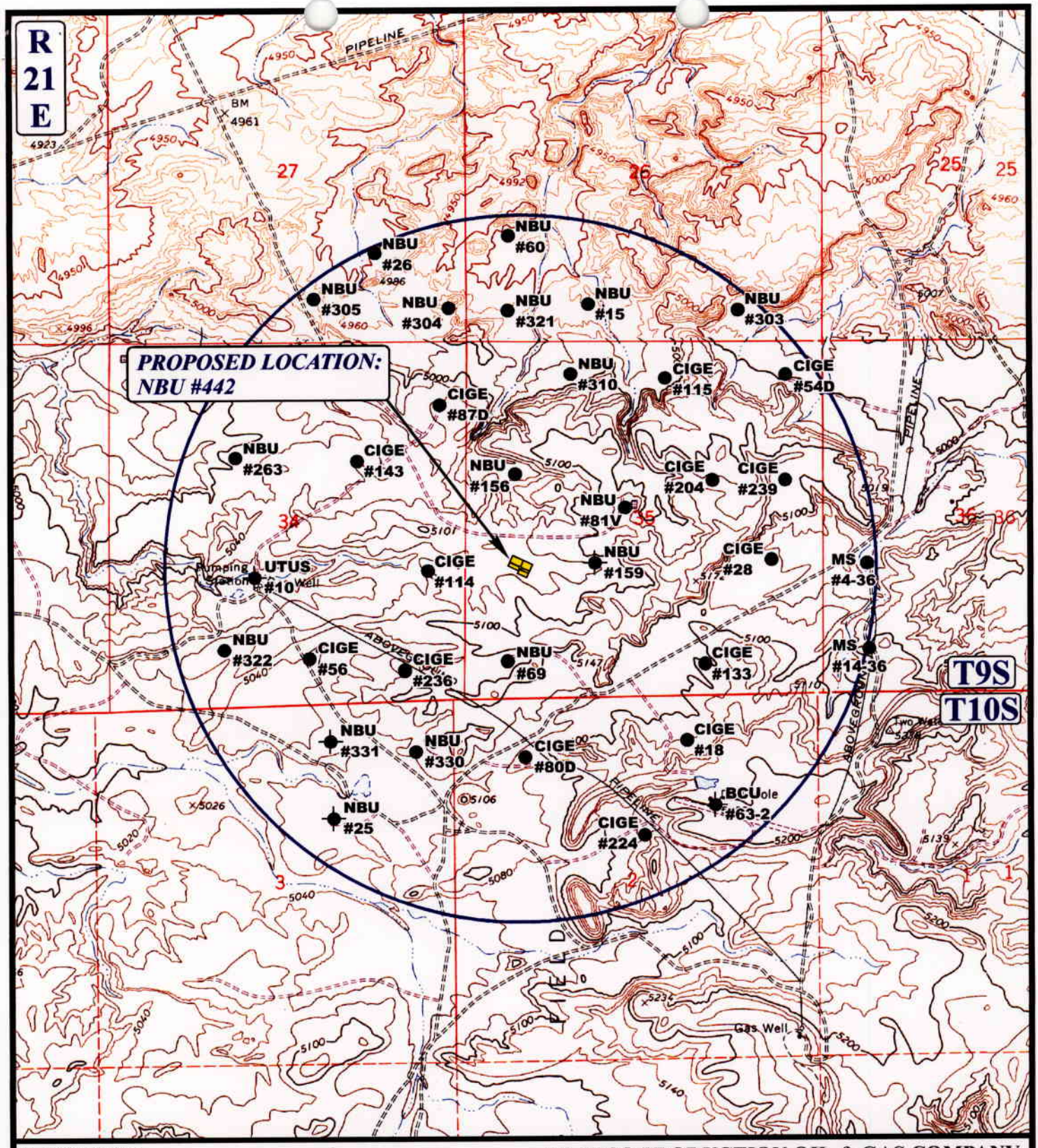
NBU #442

SECTION 35, T9S, R21E, S.L.B.&M.

1964' FSL 815' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	1 MONTH	2 DAY	02 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: P.M.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

EL PASO PRODUCTION OIL & GAS COMPANY

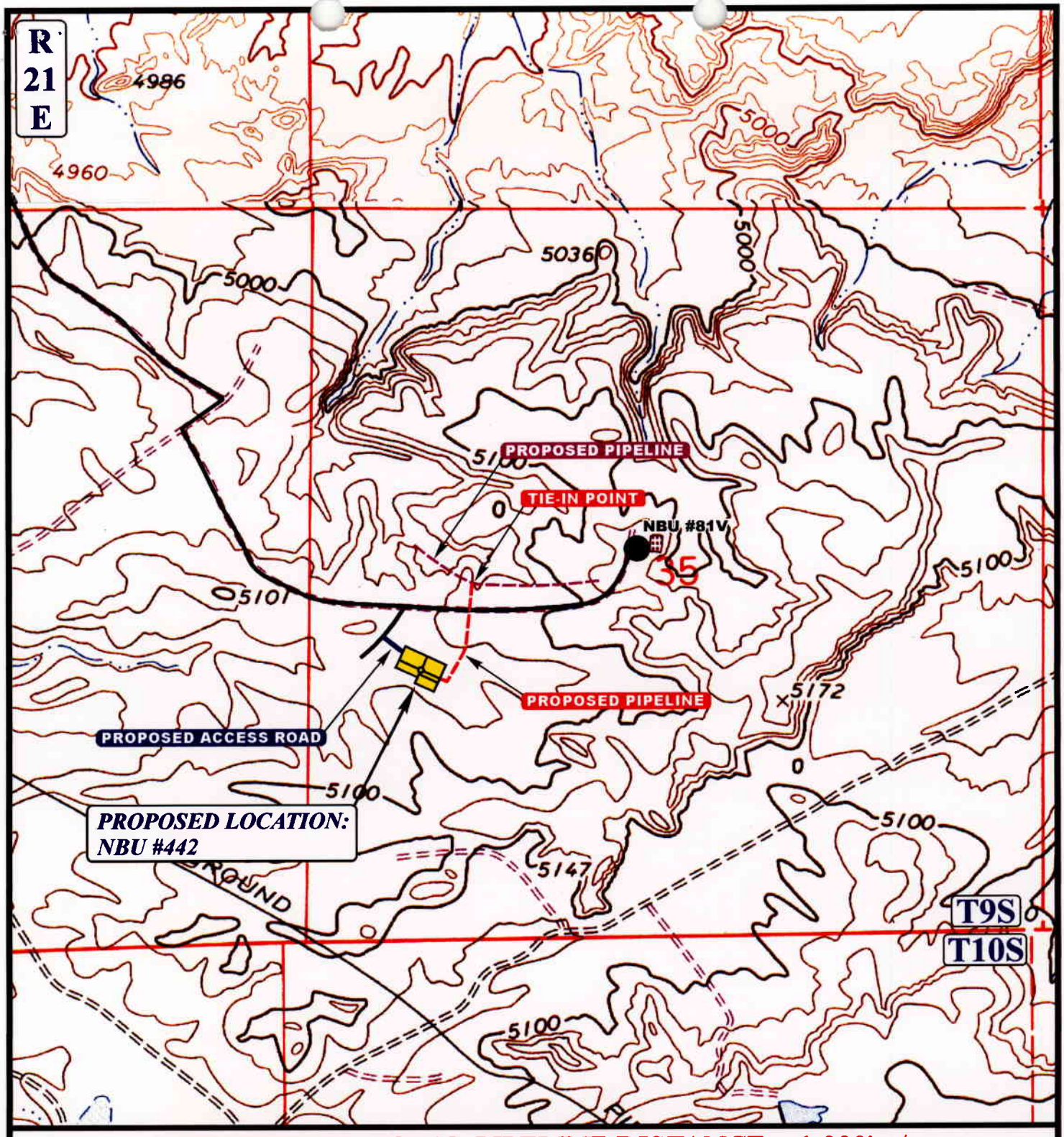
NBU #442

SECTION 35, T9S, R21E, S.L.B.&M.

1964' FSL 815' FWL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	1 MONTH	2 DAY	02 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: P.M.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,000' +/-

LEGEND:

EXISTING ROAD
PROPOSED ACCESS ROAD
PROPOSED PIPELINE

N

EL PASO PRODUCTION OIL & GAS COMPANY
NBU #442
SECTION 35, T9S, R21E, S.L.B.&M.
1964' FSL 815' FWL

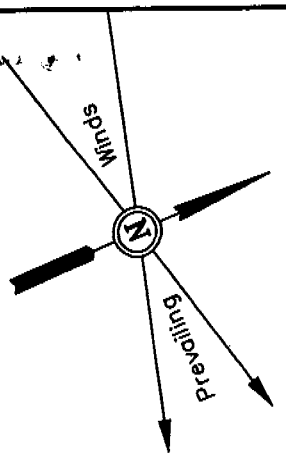
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	1 MONTH	2 DAY	02 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: P.M.	REVISED: 00-00-00		

EL PASO PRODUCTION OIL & GAS COMPANY

LOCATION LAYOUT FOR

NBU #442
SECTION 35, T9S, R21E, S.L.B.&M.
1964' FSL 815' FWL



SCALE: 1" = 50'
DATE: 1-2-02
Drawn By: C.G.

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5066.2'
FINISHED GRADE ELEV. AT LOC. STAKE = 5065.9'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

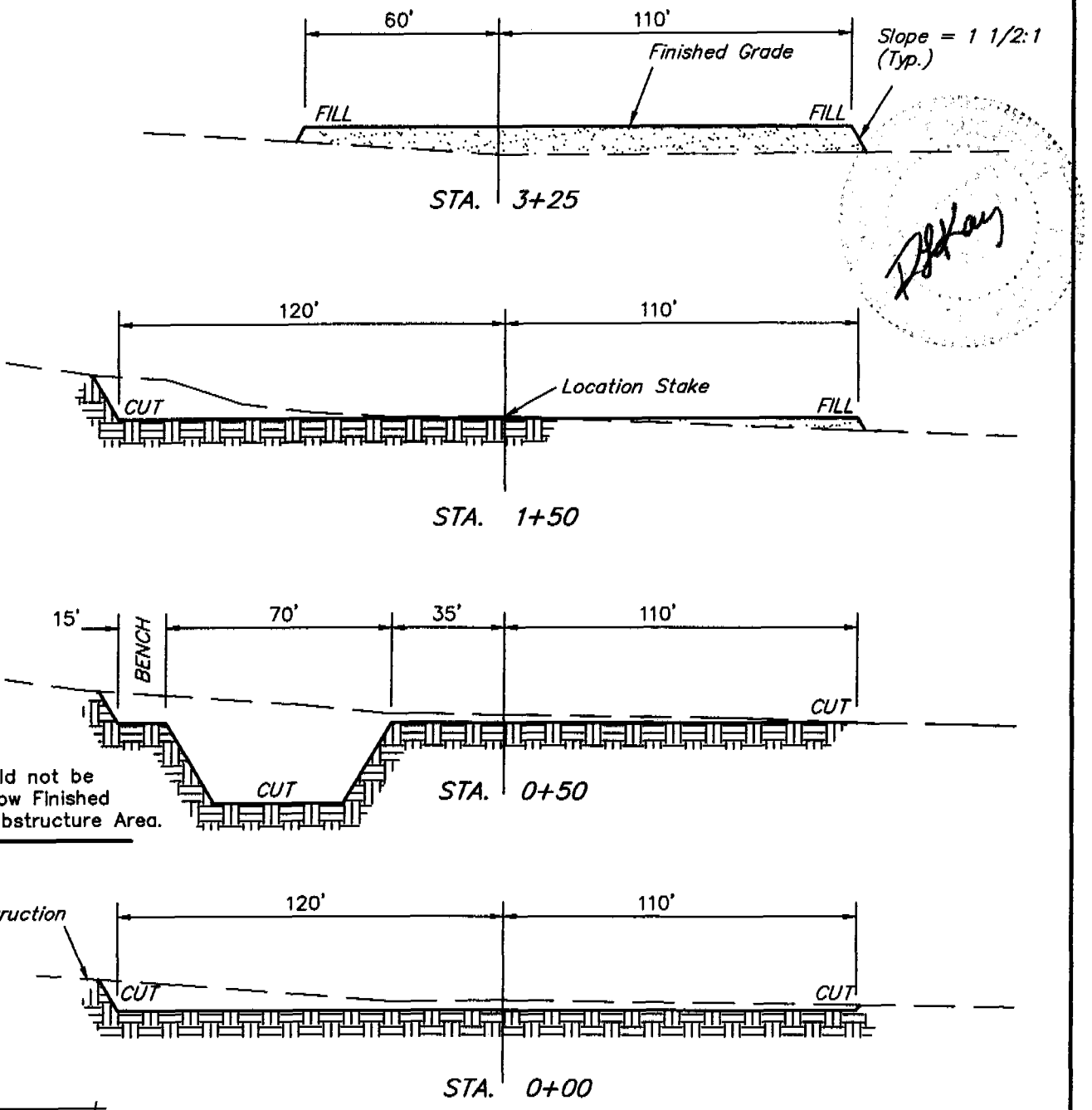
EL PASO PRODUCTION OIL & GAS COMPANY

TYPICAL CROSS SECTIONS FOR

NBU #442
SECTION 35, T9S, R21E, S.L.B.&M.
1964' FSL 815' FWL

1" = 20'
X-Section Scale
1" = 50'

DATE: 1-2-02
Drawn By: C.G.



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

FIGURE #2

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = *1,210* Cu. Yds.
Remaining Location = *3,880* Cu. Yds.

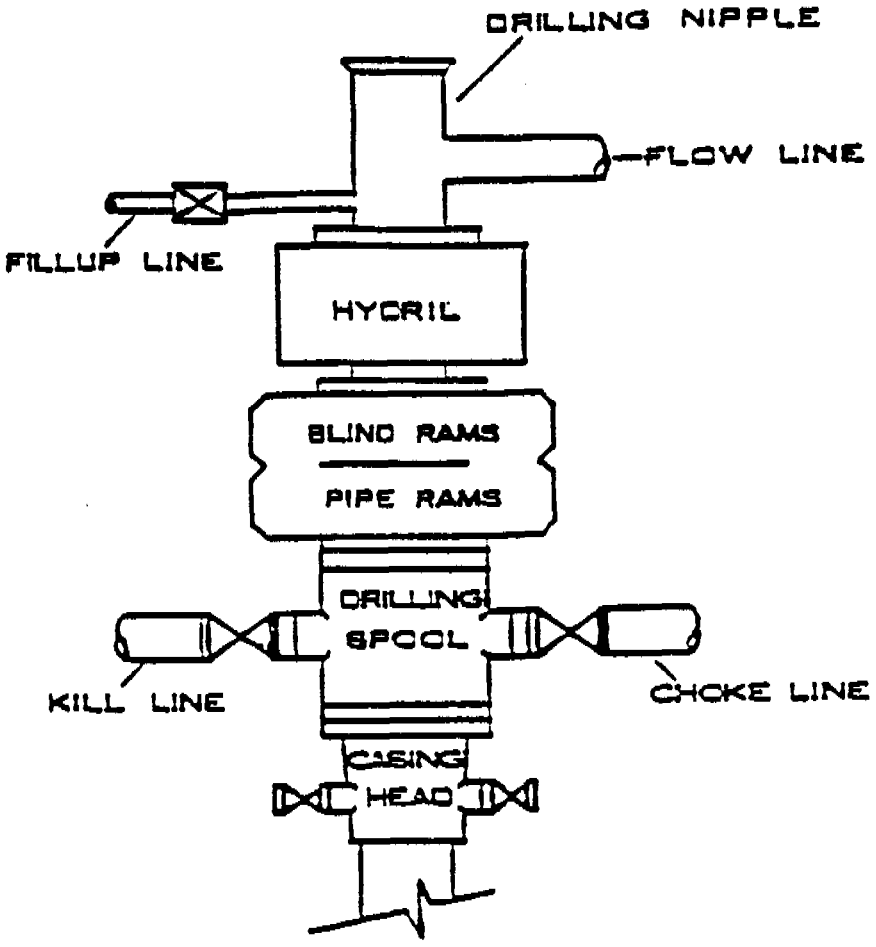
TOTAL CUT = *5,090* CU.YDS.
FILL = *2,460* CU.YDS.

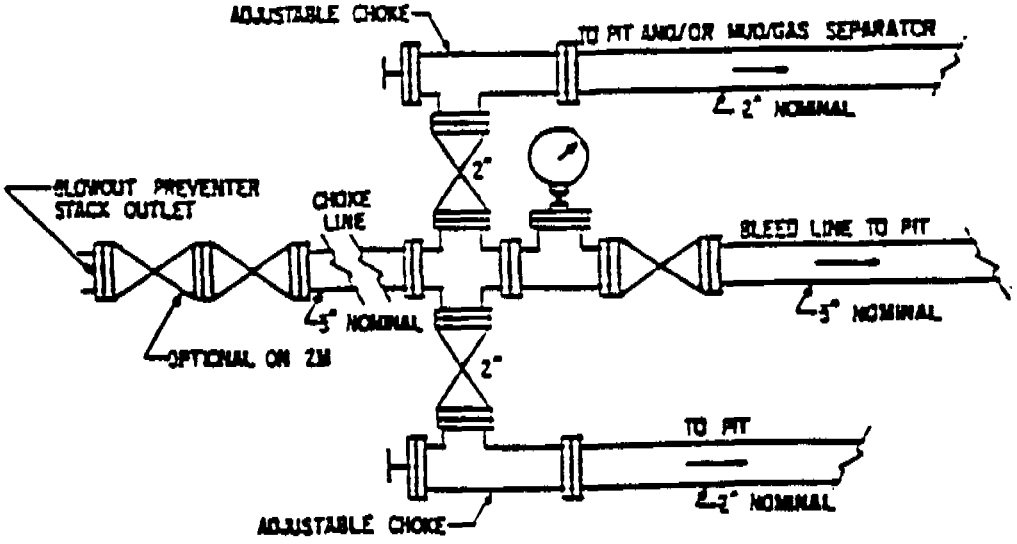
EXCESS MATERIAL AFTER 5% COMPACTION = *2,500* Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = *2,500* Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = *0* Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
*86 So. 200 East * Vernal, Utah 84078 * (435) 789-1017*

3,000 PSI

BOP STACK





004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/22/2002

API NO. ASSIGNED: 43-047-34788

WELL NAME: NBU 442
OPERATOR: EL PASO PROD OIL & GAS (N1845)
CONTACT: CHERYL CAMERON

PHONE NUMBER: 435-781-7023

PROPOSED LOCATION:
NWSW 35 090S 210E
SURFACE: 1964 FSL 0815 FWL
BOTTOM: 1964 FSL 0815 FWL
UINTAH
NATURAL BUTTES (630)

LEASE TYPE: 3 - State
LEASE NUMBER: U-01194-A-ST
SURFACE OWNER: 3 - State

PROPOSED FORMATION: MVRD

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DRD	1/28/03
Geology		
Surface		

LATITUDE: 39.99054
LONGITUDE: 109.52476

RECEIVED AND/OR REVIEWED:

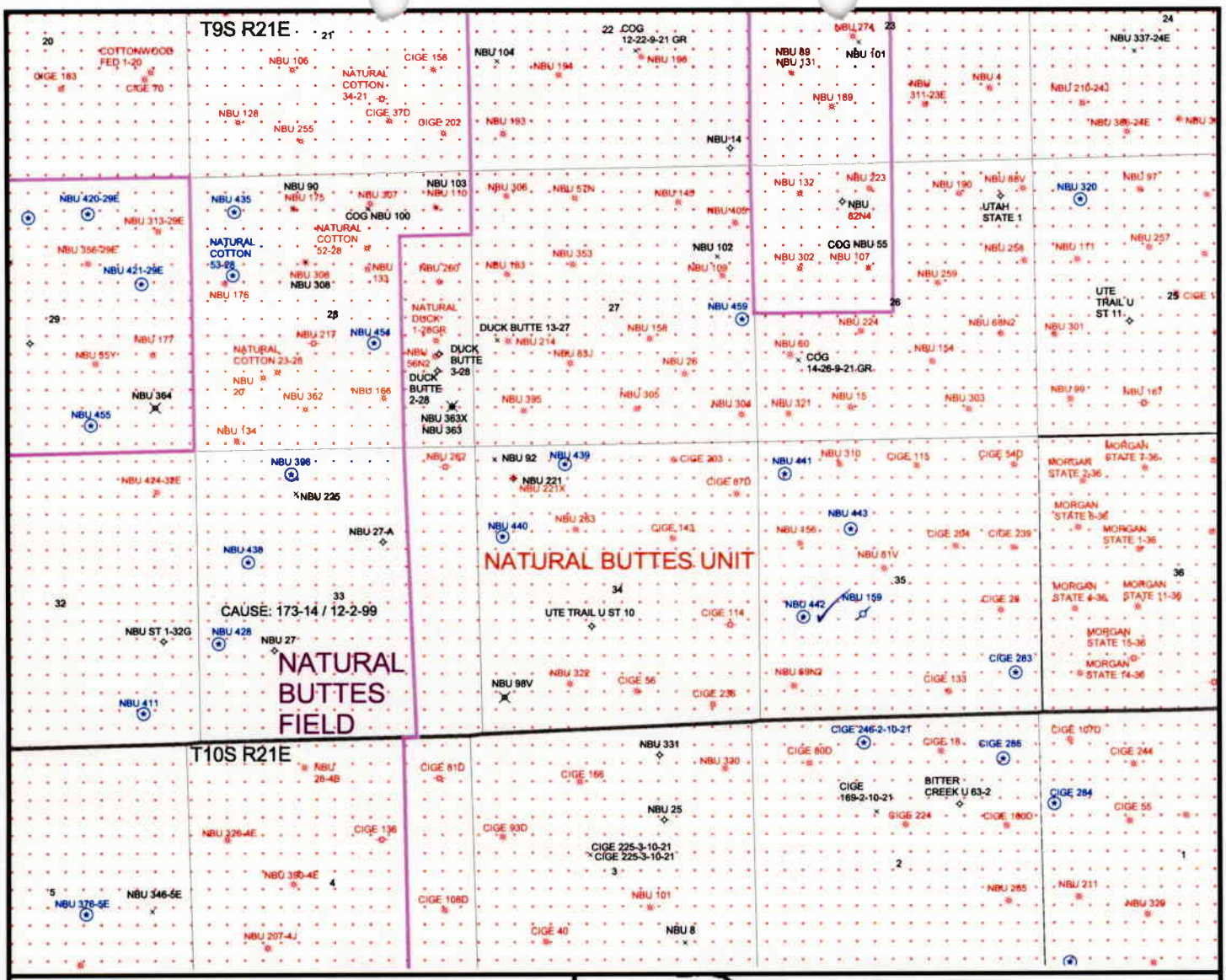
✓ Plat
___ Bond: Fed[] Ind[] Sta[3] Fee[]
(No. 400JU0705)
N Potash (Y/N)
Y Oil Shale 190-5 (B) or 190-3 or 190-13
✓ Water Permit
(No. 43-8496)
N RDCC Review (Y/N)
(Date:)
NA Fee Surf Agreement (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit NATURAL BUTTES ✓
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
✓ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 1163' fr u boundary & uncomm. Tract
___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (12-11-02)

STIPULATIONS: (1) Oil Shale
(2) STATEMENT OF BASIS



OPERATOR: EL PASO PRODUCTION (N1845)

SEC. 35 T9S, R21E.

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-99

Utah Oil Gas and Mining

WELLS
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

UNIT STATUS
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

FIELD STATUS
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- COUNTY BOUNDARY
- SECTION LINES
- TOWNSHIP LINES

N W E S

PREPARED BY: DIANA MASON
DATE: 26-NOVEMBER-2002

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: EL PASO PRODUCTION OIL & GAS COMPANY.
WELL NAME & NUMBER: NBU 442
API NUMBER: 43-047-34788
LEASE: U-01194-A-ST **FIELD/UNIT:** NATURAL BUTTES
LOCATION: 1/4,1/4 NW/SW **Sec:** 35 **TWP:** 9S **RNG:** 21E 815' FWL 1964' FSL
LEGAL WELL SITING: _____F **SEC. LINE;** _____F **1/4,1/4 LINE;** _____F **ANOTHER WELL.**
GPS COORD (UTM): **4427767N 12625836N** **SURFACE OWNER:** STATE OF UTAH

PARTICIPANTS

DAVID W. HACKFORD (DOGM), MILES HANBERG, (DWR), CARROLL ESTES, CARROLL WILSON, (EL PASO). ROBERT KAY, (UELS).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS IN A RELATIVELY FLAT AREA EXTENDING 1000' TO THE EAST, SOUTH AND WEST. THERE IS A SHALLOW DRAW 300' NORTHEAST OF SITE. THIS DRAINAGE DRAINS TO THE NORTH. DRAINAGE AT THIS SITE IS TO THE EAST, BUT ALL DRAWS EVENTUALLY TURN TO THE NORTH TOWARD THE WHITE RIVER. SITE IS 5.5 MILES SOUTH OF THE WHITE RIVER AND 15.8 MILES SOUTHEAST OF OURAY, UTAH.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 325' BY 230'. ACCESS ROAD WILL BE 100 FEET.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION FACALITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE WILL RUN 300' TO THE NORTHEAST AND TIE INTO EXISTING LINE.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: SALTBRUSH, SHADSCALE, PRICKLEY PEAR, CHEATGRASS, SAGE, GRASSES: PRONGHORN, COYOTES, SONGBIRDS, RAPTORS, RODENTS, RABBITS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 140' BY 70' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: **AS PER SITLA.**

CULTURAL RESOURCES/ARCHAEOLOGY: SITE WAS INSPECTED BY MONTGOMERY ARCHAEOLOGICAL CONSULTANTS. A REPORT OF THIS INVESTIGATION WILL BE PLACED ON FILE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A COLD, FROSTY DAY WITH TWO INCHES OF SNOW COVER.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD	12/11/02. 11:00 AM
DOGM REPRESENTATIVE	DATE/TIME

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

OPERATOR: EL PASO PRODUCTION & GAS COMPANY
WELL NAME & NUMBER: NBU 442
API NUMBER: 43-047-34788
LOCATION: 1/4,1/4 NW/SW Sec:35 TWP: 9S RNG:21E 815' FWL 1964' FSL

Geology/Ground Water:

El Paso proposes to set 250' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,000'. A search of Division of Water Rights records shows four water wells within a 10,000 foot radius of the center of section 35 . These wells are approximately .5 to 1.5 miles from the proposed location and are listed as a mining use well or "other use". Depth of the wells range from 1500-2600 feet. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.

Reviewer: Brad Hill **Date:** 12/16/02

Surface:

The predrill investigation of the surface was performed on 12/11/02. Floyd Bartlett and Miles Hanberg with DWR and Ed Bonner with SITLA were invited to this investigation on 12/2/02. Mr. Hanberg was present. SITLA did not have a representative present. Mr. Hanberg did not have any concerns regarding the construction of this location or the drilling of the well. This site is on State surface. This site appears to be the best site for a location in the immediate area.

Reviewer: David W. Hackford **Date:** 12/13//02

Conditions of Approval/Application for Permit to Drill:

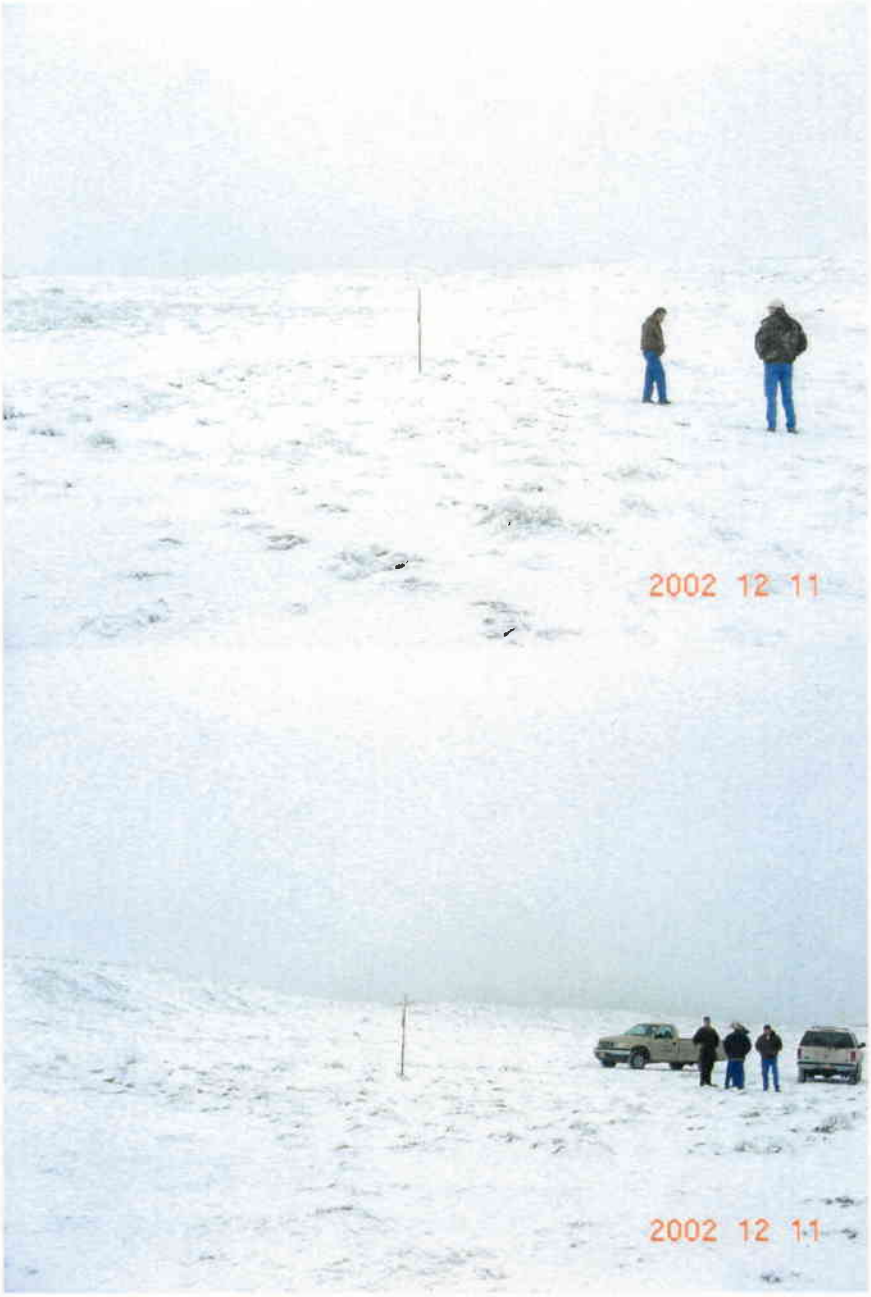
None.

Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements

Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	5
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	0
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	0
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	0
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	0
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	15 20	5
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	0
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	0
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	0
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	0

Final Score 10 (Level III Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.
Sensitivity Level II = 15-19; lining is discretionary.
Sensitivity Level III = below 15; no specific lining is required.

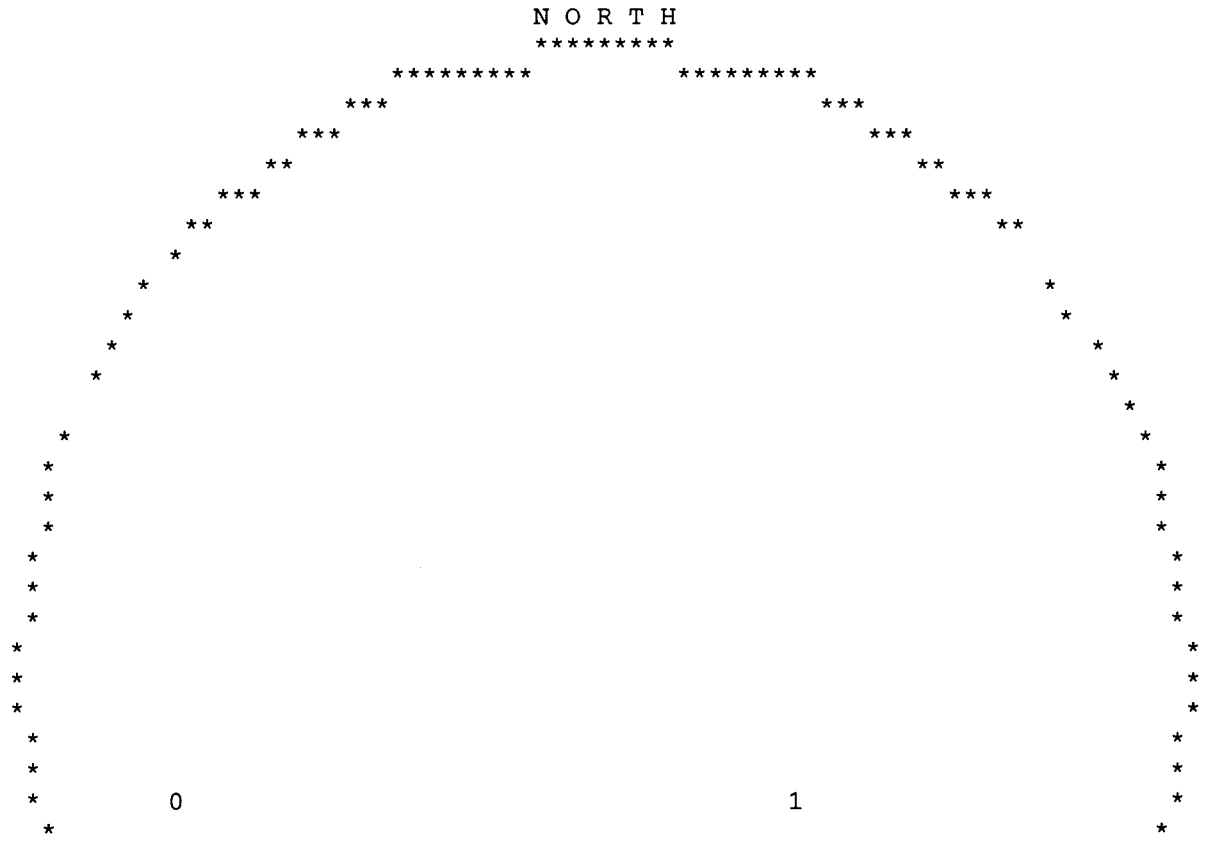

2002 12 11
2002 12 11

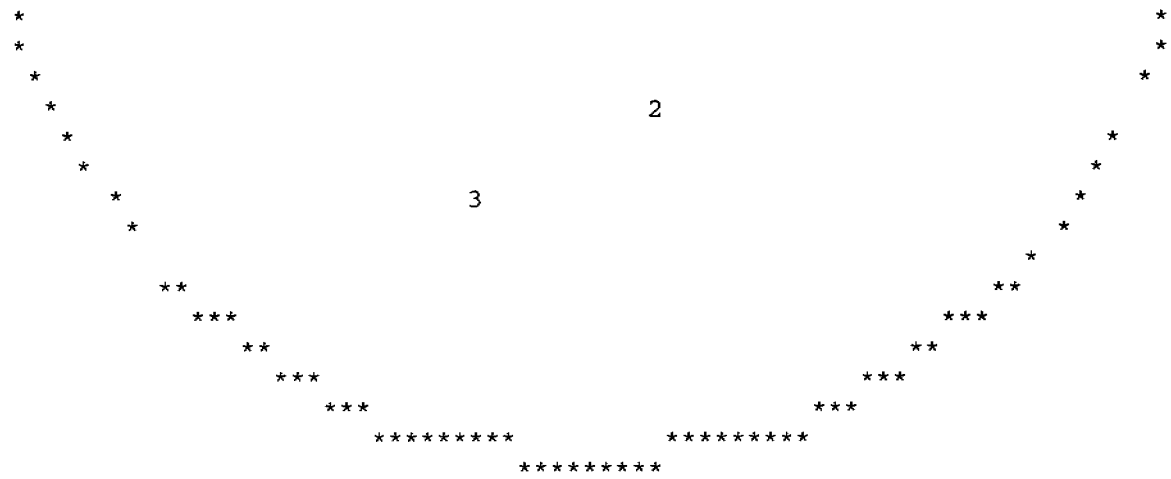

2002 12 11

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED MON, DEC 16, 2002, 2:30 PM
PLOT SHOWS LOCATION OF 4 POINTS OF DIVERSION

PLOT OF AN AREA WITH A RADIUS OF 10000 FEET FROM A POINT
FEET, FEET OF THE CT CORNER,
SECTION 35 TOWNSHIP 9S RANGE 21E SL BASE AND MERIDIAN

PLOT SCALE IS APPROXIMATELY 1 INCH = 4000 FEET





UTAH DIVISION OF WATER RIGHTS
NWPLAT POINT OF DIVERSION LOCATION PROGRAM

MAP CHAR	WATER RIGHT	QUANTITY CFS	AND/OR AC-FT	SOURCE DESCRIPTION or WELL INFO DIAMETER	DEPTH	YEAR LOG	POINT OF DIVERSION DESCRIPTION NORTH	EAST	CNR	SEC	TWN	RNG	B&
0	49 355	1.0000	.00	7	1667		N 951	E 689	SW	34	9S	21E	S
	WATER USE(S): MINING OTHER									PRIORITY DATE: 07/10/1			
	Tosco Corporation				10100 Santa Monica Blvd.					Los Angeles			
1	49 354	.6000	.00	7	1604		N 643	E 592	SW	36	9S	21E	S
	WATER USE(S): MINING OTHER									PRIORITY DATE: 07/10/1			
	Tosco Corporation				10100 Santa Monica Blvd.					Los Angeles			
2	49 3	.0256	.00	5	2640		S 1650	W 1564	NE	2	10S	21E	S
	WATER USE(S): OTHER									PRIORITY DATE: 06/17/1			
	DeKalb Agricultural Association Incorpor Box 523									Vernal			

3 49 356 1.2500 .00 7 1525 - 1570 S 3200 E 850 NW 2 10S 21E S
WATER USE(S): MINING OTHER PRIORITY DATE: 07/10/1
Tosco Corporation 10100 Santa Monica Blvd. Los Angeles

Form 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

002

6. Lease Designation and Serial Number: U-01194-A-ST

7. Indian Allottee or Tribe Name:

8. Unit or Communitization Agreement:

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well: [ ] Oil Well [x] Gas Well [ ] Other (specify)

9. Well Name and Number: NBU 442

2. Name of Operator: El Paso Production Oil & Gas Company

10. API Well Number:

3. Address of Operator: P.O. Box 1148 Vernal, UT 84078

4. Telephone Number: (435) 781-7023

11. Field and Pool, or Wildcat: Natural Buttes

5. Location of Well
Footage : 1964' FSL & 815' FWL
QQ, Sec, T., R., M : NWSW SEC. 35, T9S, R21E
County : Uintah
State : UT

12. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT
(Submit in Duplicate)

- [ ] Abandonment
- [ ] Casing Repair
- [x] Change of Plans
- [ ] Conversion to Injection
- [ ] Fracture Treat
- [ ] Multiple Completion
- [ ] Other
- [ ] New Construction
- [ ] Pull or Alter Casing
- [ ] Recompletion
- [ ] Shoot or Acidize
- [ ] Vent or Flare
- [ ] Water Shut-Off

Approximate Date Work Will Start: _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- [ ] Abandonment *
- [ ] Casing Repair
- [ ] Change of Plans
- [ ] Conversion to Injection
- [ ] Fracture Treat
- [ ] Other
- [ ] New Construction
- [ ] Pull or Alter Casing
- [ ] Shoot or Acidize
- [ ] Vent or Flare
- [ ] Water Shut-Off

Date of Work Completion: _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

OPERATOR REQUESTS TO AMEND THE CEMENT & CASING PROGRAM ORIGINALLY SUBMITTED IN THE APD (APPLICATION FOR PERMIT TO DRILL), AND PLACE THE SUBJECT WELL ON CONFIDENTIAL STATUS.

REFER TO THE ATTACHED DRILLING PROGRAM.

RECEIVED
JAN 2 1 2003
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

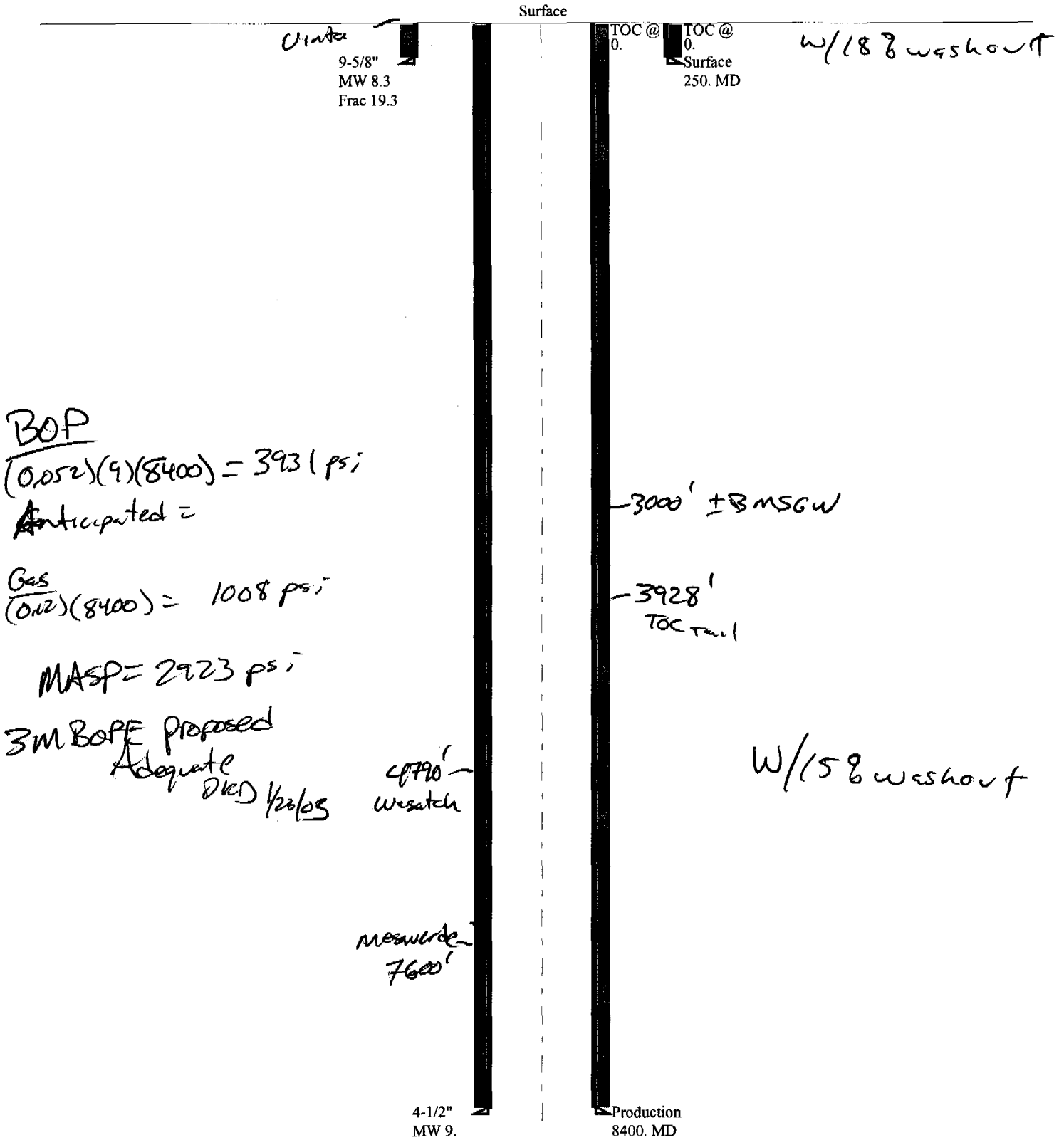
Name & Signature: Cheryl Cameron Title: Operations Date: 01/16/03

(State Use Only)

(8/90) See Instructions on Reverse Side

12-02 El Paso NBU 442

Casing Schematic



Well name:	**12-02 El Paso NBU 442**
Operator:	**El Paso Production Company**
String type:	Surface
Project ID:	43-047-34788
Location:	Uintah County

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.468 psi/ft
Calculated BHP 117 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 219 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 68 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 200 ft

Cement top: Surface

Non-directional string.

Re subsequent strings:

Next setting depth: 8,400 ft
Next mud weight: 9.000 ppg
Next setting BHP: 3,927 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 250 ft
Injection pressure 250 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	250	9.625	32.30	H-40	ST&C	250	250	8.876	15.8

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	108	1370	12.66	117	2270	19.42	8	254	31.46 J

Prepared by: Dustin Doucet
Utah Dept. of Natural Resources
Phone: 801-538-5281
FAX: 801-359-3940
Date: January 23,2003
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 250 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:	**12-02 El Paso NBU 442**
Operator:	**El Paso Production Company**
String type:	Production
Location:	Uintah County
Project ID:	43-047-34788

Design parameters:

Collapse
Mud weight: 9.000 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 0 psi
Internal gradient: 0.468 psi/ft
Calculated BHP 3,927 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on air weight.
Neutral point: 7,270 ft

Environment:
H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 183 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 368 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	8400	4.5	11.60	J-55	LT&C	8400	8400	3.875	194.7

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3927	4960	1.26	3927	5350	1.36	97	162	1.66 J

El Paso Assumes
Max. 50K lbs overpull
Has been Standard practice
Dan Lindsey 1/27/03
Lgth w/ buoyancy

Prepared by: Dustin Doucet, Utah Dept. of Natural Resources
Phone: 801-538-5281
FAX: 801-359-3940
Date: January 23,2003
Salt Lake City, Utah

ENGINEERING STIPULATIONS: Surface casing cemented to surface; Oil shale
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 8400 ft, a mud weight of 9 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

005

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5340 telephone
(801) 359-3940 fax
(801) 538-7223 TTY
www.nr.utah.gov

Michael O. Leavitt
Governor
Robert L. Morgan
Executive Director
Lowell P. Braxton
Division Director

January 29, 2003

El Paso Production Oil & Gas Company
P O Box 1148
Vernal, UT 84078

Re: Natural Buttes Unit 442 Well, 1964' FSL, 815' FWL, NW SW, Sec. 35, T. 9 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34788.

Sincerely,

John R. Baza
Associate Director

pb
Enclosures
cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal District Office

Operator: El Paso Production Oil & Gas Company
Well Name & Number Natural Buttes Unit 442
API Number: 43-047-34788
Lease: U-01194-A-ST

Location: NW SW **Sec.** 35 **T.** 9 South **R.** 21 East

Conditions of Approval

1. **General**
Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. **Notification Requirements**
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:
   - 24 hours prior to cementing or testing casing
   - 24 hours prior to testing blowout prevention equipment
   - 24 hours prior to spudding the well
   - within 24 hours of any emergency changes made to the approved drilling program
   - prior to commencing operations to plug and abandon the well

   The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):
   - Dan Jarvis at (801) 538-5338
   - Carol Daniels at (801) 538-5284 (spud)

3. **Reporting Requirements**
All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

WESTPORT OIL AND GAS COMPANY, L.P.

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety – Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider – Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases – in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black

Debby J. Black
Engineer Technician

Encl:

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

In Reply Refer To:
3106
UTU-25566 et al
(UT-924)

FEB 2 1 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523

Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

UNITED STATES GOVERNMENT

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate you concern, and hope that these comments are timely enough for consideration in the revision process.

Charles H Cameron

CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chrono

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Washington, D.C. 20240

FEB 1 0 2003

IN REPLY REFER TO:
Real Estate Services

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, ($150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ OTHER _____

8. WELL NAME and NUMBER: Exhibit "A"

2. NAME OF OPERATOR: El Paso Production Oil & Gas Company

9. API NUMBER:

3. ADDRESS OF OPERATOR: 9 Greenway Plaza CITY Houston STATE TX ZIP 77064-0995

PHONE NUMBER: (832) 676-5933

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☑ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
_____	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # _____

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

RECEIVED
FEB 2 8 2003
DIV. OF OIL, GAS & MINING

EL PASO PRODUCTION OIL & GAS COMPANY

By: _____
Jon R. Nelsen, Attorney-in-Fact

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT) David R. Dix TITLE Agent and Attorney-in-Fact

SIGNATURE _____ DATE 12/17/02

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.
Attn: Gary D. Williamson
1670 Broadway, Suite 2800
Denver, Colorado 80202

Re: Natural Buttes Unit
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Minerals Adjudication Group
File - Natural Buttes Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT922:TAThompson:tt:02/27/2003

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

5. Lease Serial No.
SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
SEE ATTACHED EXHIBIT "A"

2. Name of Operator
WESTPORT OIL & GAS COMPANY, L.P.

9. API Well No.
SEE ATTACHED EXHIBIT "A"

3a. Address
P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. *(include area code)*
(435) 781-7023

10. Field and Pool, or Exploratory Area

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
SEE ATTACHED EXHIBIT "A"

11. County or Parish, State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other SUCCESSOR OF OPERATOR
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF. BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED
MAR 0 4 2003
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
CHERYL CAMERON

Title
OPERATIONS

Signature

Date
March 4, 2003

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Division of Oil, Gas and Mining

ROUTING
1. GLH
2. CDW✓
3. FILE

OPERATOR CHANGE WORKSHEET

006

X Change of Operator (Well Sold) Designation of Agent/Operator

Operator Name Change Merger

The operator of the well(s) listed below has changed, effective:	12-17-02
FROM: (Old Operator):	**TO:** (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

CA No. **Unit:** **NATURAL BUTTES**

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 322	34-09S-21E	43-047-33203	2900	STATE	GW	P
NBU 263	34-09S-21E	43-047-32793	2900	STATE	GW	P
NBU 439	34-09S-21E	43-047-34786	99999	STATE	GW	APD
NBU 440	34-09S-21E	43-047-34785	99999	STATE	GW	APD
CIGE 204-35-9-21	35-09S-21E	43-047-32794	2900	STATE	GW	P
NBU 310	35-09S-21E	43-047-32882	2900	STATE	GW	P
CIGE 239-35-9-21	35-09S-21E	43-047-33206	2900	STATE	GW	P
NBU CIGE 28-35-9-21	35-09S-21E	43-047-30739	2900	STATE	GW	P
NBU CIGE 54D-35-9-21	35-09S-21E	43-047-30851	2900	STATE	GW	P
NBU 69N2	35-09S-21E	43-047-31090	2900	STATE	GW	P
NBU 81V	35-09S-21E	43-047-31232	2900	STATE	GW	P
CIGE 115-35-9-21	35-09S-21E	43-047-31918	2900	FEDERAL	GW	P
CIGE 133-35-9-21	35-09S-21E	43-047-31978	2900	STATE	GW	P
NBU 156	35-09S-21E	43-047-32005	2900	FEDERAL	GW	P
CIGE 283	35-09S-21E	43-047-34790	99999	STATE	GW	APD
NBU 441	35-09S-21E	43-047-34791	99999	STATE	GW	APD
NBU 442	35-09S-21E	43-047-34788	99999	STATE	GW	APD
NBU 443	35-09S-21E	43-047-34789	99999	STATE	GW	APD
NBU 33-17B	17-09S-22E	43-047-30396	2900	FEDERAL	GW	P
NBU 48N3	18-09S-22E	43-047-30538	2900	FEDERAL	GW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database on:** 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 03/18/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 03/18/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
   The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

007

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

5. Lease Serial No.
Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
891008900A

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Multiple Wells - see attached

2. Name of Operator
WESTPORT OIL & GAS COMPANY, L.P.

9. API Well No.
Multiple Wells - see attached

3a. Address
P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. *(include area code)*
(435) 781-

10. Field and Pool, or Exploratory Area
Natural Buttes Unit

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Multiple Wells - see attached

11. County or Parish, State
Uintah County, UT

43.047.34788

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part IIIC.a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of oringinal volume to 98.52% when the pressure was dropped. The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

14. I hereby certify that the foregoing is true and correct

Name *(Printed/Typed)*
J.T. Conley

Title
Operations Manager

Signature

Date
9-2-2003

COPY SENT TO OPERATOR
Date: 9-16-03
Initials: CHD

SEP 10 2003
DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Accepted by the Utah Division of Oil, Gas and Mining
Date: 9/16/03
By:

Federal Approval Of This Action Is Necessary

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Westport Oil & Gas, L.P.

Project Economics Worksheet

Instructions: Fill in blue boxed areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for $/BF and $/MCF

Project Name: **Condensate Shrinkage Economics**

Is this job a well pull or production rig job ??? N (Y or N)

	BEFORE $/Year	AFTER $/Year	DIFFERENCE $/Year
Gross Oil Revenue	$1,088	$1,099	$11
Gross Gas Revenue	$0	$0	$0
NGL Revenue	$0	$0	$0
PULLING UNIT SERVICE			$0
WIRELINE SERVICE			$0
SUBSURF EQUIP REPAIRS			$0
COMPANY LABOR			$0
CONTRACT LABOR	$0	$200	$200
CONTR SERVICE			$0
LEASE FUEL GAS	$0	$0	$0
UTILITIES - ELECTRICITY	$0	$0	$0
CHEMICAL TREATING			$0
MATERIAL & SUPPLY	$0	$150	$150
WATER & HAULING			$0
ADMINISTRATIVE COSTS			$0
GAS PLANT PROCESSING			$0
Totals	$0	$350	$350 Increased OPX Per Year

Investment Breakdown:

	Cap/Exp Code	Cost, $
Capital $	820/830/840	$1,200
Expense $	830/860	$0
Total $		$1,200

Oil Price	$ 23.00	$/BO
Gas Price	$ 3.10	$/MCF
Electric Cost	$ -	$ / HP / day
OPX/BF	$ 2.00	$/BF
OPX/MCF	$ 0.62	$/MCF

Production & OPX Detail:

	Before		After		Difference	
Oil Production	0.192	BOPD	0.194	BOPD	0.002	BOPD
Gas Production	0	MCFPD	0	MCFPD	0	MCFPD
Wtr Production	0	BWPD	0	BWPD	0	BWPD
Horse Power		HP		HP	0	HP
Fuel Gas Burned		MCFPD		MCFPD	0	MCFPD

Project Life:

Life = 20.0 Years
(Life no longer than 20 years)

Internal Rate of Return:
After Tax IROR = #DIV/0!

AT Cum Cashflow:
Operating Cashflow = ($2,917) (Discounted @ 10%)

Payout Calculation:

$$\text{Payout} = \frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}} = 1$$

Payout occurs when total AT cashflow equals investment
See graph below, note years when cashflow reaches zero

Payout = NEVER Years or #VALUE! Days

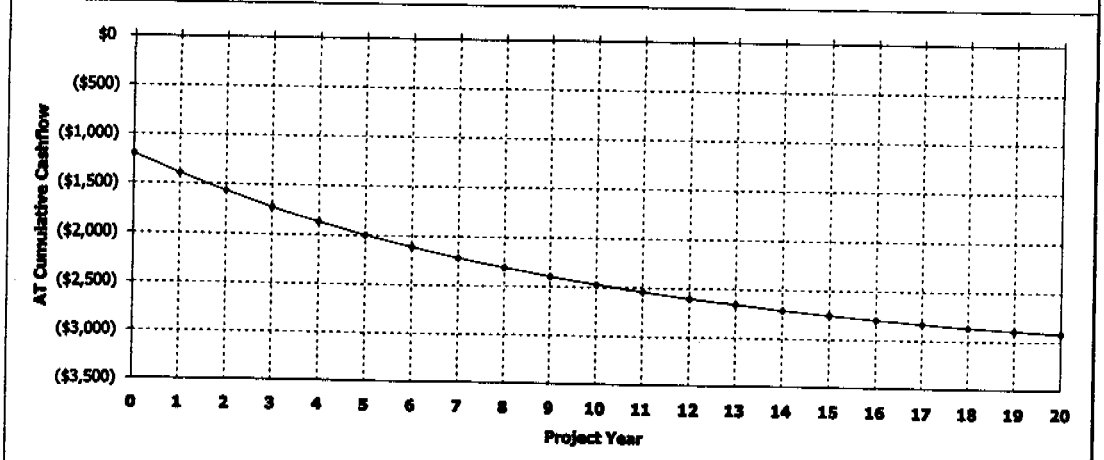
Gross Reserves:

Oil Reserves =	6 BO
Gas Reserves =	0 MCF
Gas Equiv Reserves =	38 MCFE

Notes/Assumptions:

An average NBU well produces 0.192 Bopd with no tank pressure. The production is increased to 0.196 Bopd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



Westport Oil and Gas, Inc.
NBU/Ouray Field
RFL 2003-022

COMPARISON OF FLASH BACK PRESSURES
Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio (scf/STbbl) (A)	Specific Gravity of Flashed Gas (Air=1.000)	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	°F				
Calculated at Laboratory Flash Conditions					
80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%
Calculated Flash with Backpressure using Tuned EOS					
80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.
(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.
(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.
Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

WELL	LEGALS	STFLEASENO	CANUMBER	APINO	
NBU 419	21-10-21 NWNE	U02278	891008900A	4304734376 00S1	
NBU 420	20-10-21 SESE	UTU02278	891008900A	4304734377 00S1	
NBU 421	20-10-21 NESE	UTU02278	891008900A	4304734378 00S1	
NBU 422	29-10-22 SWSE	UTU469	891008900A	4304734414 00S1	
NBU 423	29-10-22 NWSE	UTU469	891008900A	4304734415 00S1	
NBU 424	29-10-22 NESW	UTU0145824	891008900A	4304734416 00S1	
NBU 425	11-10-21 SENE	UTU01190	891008900A	4304734410 00S1	
NBU 426	11-10-21 SWNE	UTU01190	891008900A	4304734411 00S1	
NBU 427	11-10-21 NWNE	UTU01190	891008900A	4304734418 00S1	
NBU 428	33-9-21 NWSW	UTU015630ST	891008900A	4304734709 00S1	
NBU 434	14-10-21 SENE	UTU465	891008900A	4304734481 00S1	✓
NBU 435	28-9-21 NWNW	UTU0576	891008900A	4304734805 00S1	
NBU 436	30-9-21 SWNE	UTU0581	891008900A	4304734780 00S1	
NBU 438	33-9-21 SWNW	UTU015630-ST	891008900A	4304734787 00S1	
NBU 439	34-9-21 NENW	UTU01194-A-ST	891008900A	4304734786 00S1	✓
NBU 440	34-9-21 SWNW	UTU01194-A-ST	891008900A	4304734785 00S1	
NBU 441	35-9-21 NWNW	UTU01194-A-ST	891008900A	4304734791 00S1	
NBU 442	35-9-21 NWSW	UTU01194-A-ST	891008900A	4304734788 00S1	
NBU 443	35-9-21 SENW	UTU01194-ST	891008900A	4304734789 00S1	
NBU 444	1-10-21 SWSW	UTU02842B	891008900A	4304734796 00S1	
NBU 445	30-9-21 NWSE	UTU0581	891008900A	4304734867 00S1	
NBU 446	8-9-21 SENW	UTU0149767	891008900A	4304734621 00S1	✓
NBU 448	22-9-20 NWSW	UTU0577B	891008900A	4304734782 00S1	
NBU 452	8-9-21 SWNE	UTU0149767	891008900A	4304734875 00S1	
NBU 453	8-9-21 NWSE	UTU0575B	891008900A	4304734816 00S1	
NBU 454	28-9-21 NWSE	UTU0576	891008900A	4304734698 00S1	✓
NBU 455	29-9-21 SWSE	UTU0581	891008900A	4304734699 00S1	✓
NBU 456	22-9-21 SESW	UTU010950A	891008900A	4304734818 00S1	
NBU 457	22-9-21 NESE	UTU010950A	891008900A	4304734817 00S1	
NBU 458	23-9-21 SENW	UTU0149075	891008900A	4304734819 00S1	
NBU 459	27-9-21 NESE	UTU01194A-ST	891008900A	4304734680 00S1	✓
NBU 460	30-9-21 SENE	UTU0581	891008900A	4304734697 00S1	✓
NBU 461	14-10-22 SWNE	U01197A-ST	891008900A	4304734823 00S1	
NBU 462	15-10-22 SENW	U-01196-A	891008900A	4304734839 00S1	✓
NBU 463	15-10-22 NWNE	UTU025187	891008900A	4304734840 00S1	
NBU 464	15-10-22 NENW	U025187	891008900A	4304734846 00S1	
NBU 465	29-10-22 NWSW	SL070220A	891008900A	4304734860 00S1	✓
NBU 466	32-10-22 NWNE	ML22798	891008900A	4304734824 00S1	✓
NBU 468	11-10-21 SENW	UTU0149080	891008900A	4304734856 00S1	
NBU 470	7-10-22 SWSE	UTU466	891008900A	4304734833 00S1	
NBU 471	17-10-22 NWNE	UTU01196E	891008900A	4304734834 00S1	
NBU 472	32-10-22 SWNE	ML22798	891008900A	4304734896 00S1	✓
NBU 492-7E	7-9-21 LOT 1	UTU0149767	891008900A	4304734217 00S1	
NBU 922-36I	36-9-22 NESE	MS22650	891008900A	4304735107 00S1	✓
UTE TRAIL 083X	9-10-22 SENE	UTU01196D	891008900A	4304715386 00S1	
UTE TRAIL 088X	2-10-21 SESE	ML13826	891008900A	4304715389 00S1	✓

Form 9

008

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

CONFIDENTIAL

6. Lease Designation and Serial Number	U-01194-A-ST
7. Indian Allottee or Tribe Name	
8. Unit or Communitization Agreement	NATURAL BUTTES UNIT
9. Well Name and Number	**NBU #442**
10. API Well Number	43-047-34788
11. Field and Pool, or Wildcat	NATURAL BUTTES

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well: [ ] Oil Well [X] Gas Well [ ] Other (specify)
2. Name of Operator: WESTPORT OIL & GAS COMPANY L.P.
3. Address of Operator: P.O. BOX 1148 VERNAL, UT 84078
4. Telephone Number: (435) 781-7024
5. Location of Well
   Footage : 1964'FSL & 815'FWL
   QQ, Sec, T., R., M : NWSW SECTION 35-T9S-R21E
   County : UINTAH
   State : UTAH

12. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT (Submit in Duplicate)		SUBSEQUENT REPORT (Submit Original Form Only)	
[ ] Abandonment	[ ] New Construction	[ ] Abandonment *	[ ] New Construction
[ ] Casing Repair	[ ] Pull or Alter Casing	[ ] Casing Repair	[ ] Pull or Alter Casing
[ ] Change of Plans	[ ] Recompletion	[ ] Change of Plans	[ ] Shoot or Acidize
[ ] Conversion to Injection	[ ] Shoot or Acidize	[ ] Conversion to Injection	[ ] Vent or Flare
[ ] Fracture Treat	[ ] Vent or Flare	[ ] Fracture Treat	[ ] Water Shut-Off
[ ] Multiple Completion	[ ] Water Shut-Off	[ ] Other	
[X] Other ONE YEAR EXTENSION			

Approximate Date Work Will Start: IMMEDIATE

Date of Work Completion:

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION, SO THAT DRILLING OPERATIONS MAY BE COMPLETED.

COPY SENT TO OPERATOR
Date: 1-23-04
Initials: CHD

Approved by the Utah Division of Oil, Gas and Mining
Date: 01-22-04
By:

14. I hereby certify that the foregoing is true and correct.

Name & Signature: Sheila Upchego Title: Regulatory Analyst Date: 01/12/04

(State Use Only)

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JAN 20 2004
DIV. OF OIL, GAS & MINING

(8/90) See Instructions on Reverse Side

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34788
Well Name: NBU #442
Location: NWSW SECTION 35-T9S-R21E
Company Permit Issued to: WESTPORT OIL & GAS CO., L.P.
Date Original Permit Issued: 1/29/2003

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐No☑

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐No☑

Has the approved source of water for drilling changed? Yes☐No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐No☑

Is bonding still in place, which covers this proposed well? Yes☑No☐

Signature

1/12/2004
Date

Title: REGULATORY ANALYST

Representing: WESTPORT OIL & GAS COMPANY L.P.

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JAN 2 0 2004
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

009

ENTITY ACTION FORM - FORM 6

OPERATOR WESTPORT O & G COMPANY, L.P.
ADDRESS 1368 SOUTH 1200 EAST
VERNAL, UT 84078

OPERATOR ACCT. NO. N 2115

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE
C	99999	2900	43-047-34788	NBU 442	NWSW	35	9S	21E	UINTAH	9/30/2004	10/19/04 K

WELL 1 COMMENTS: MIRU PETE MARTIN BUCKET RIG MVRD
SPUD WELL LOCATION ON 9/30/04 AT 6:00 AM
CONFIDENTIAL

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE
C	99999	2900	43-047-34789	NBU 443	SENW	35	9S	21E	UINTAH	9/29/04	10/19/04 K

WELL 2 COMMENTS: MIRU PETE MARTIN BUCKET RIG MVRD
SPUD WELL LOCATION ON 9/29/04 AT 6:00 AM
CONFIDENTIAL

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE

WELL 3 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE

WELL 4 COMMENTS:

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION QQ	SC	TP	RG	COUNTY	SPUD DATE	EFFECTIVE DATE

WELL 5 COMMENTS:

ACTION CODES (See instructions on back of form)
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Post-it® Fax Note 7671 | Date 10-5-04 | # of pages ▶
To Earlene Russell | From Raleen Weddle
Co./Dept. UDOGM | Co. Westport
Phone # 801-536-5336 | Phone # 435-781-7044
Fax # 801-359-3940 | Fax # 435-781-7094

Raleen Weddle
Signature

REGULATORY ADMIN
Title

10/05/04
Date

Phone No. 435-781-7044

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OCT 05 2004
DIV. OF OIL, GAS & MINING

CONFIDENTIAL

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER: U-01194-A-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 442

2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.

9. API NUMBER: 4304734788

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1964'FSL & 815'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 35 9S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: 10/21/2004	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: WELL SPUD
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN DRILLING. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" CONDUCTOR PIPE. CMT W/28 SX READY MIX CMT.

MIRU BILL MARTIN RIG #4. DRILLED 12 1/4" SURFACE HOLE TO 2020'. RAN 9 5/8" 32.3# H-40 CSG. CMT W/180 SX 2% CALC2 1/4# FLOCELE @15.8 PPG 1.15 YIELD. TOP JOB 1: 200 SX 4% CACL2 1/4# FLOCELE 1# GR-3 @15.8 PPG 1.15 YIELD. TOP JOB 2: 120 SX 2% CALCL2 1/4# FLOCELE 50# GR-3 @15.8 PPG 1.15 YIELD.

SPUD WELL LOCATION ON 9/30/04 AT 0600 HRS.

RECEIVED
OCT 2 0 2004
DIV OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego DATE 10/22/2004

(This space for State use only)

(5/2000) (See Instructions on Reverse Side)

Form 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

011

6. Lease Designation and Serial Number: U-01194-A-ST
7. Indian Allottee or Tribe Name:
8. Unit or Communitization Agreement: NATURAL BUTTES UNIT
9. Well Name and Number: NBU 442
10. API Well Number: 43-047-34788
11. Field and Pool, or Wildcat: NATURAL BUTTES

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT -- for such proposals

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other (specify)

2. Name of Operator
WESTPORT OIL & GAS COMPANY, L.P.

3. Address of Operator
1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

4. Telephone Number
(435)781-7060

5. Location of Well
Footage : 1964' FSL 815' FWL
QQ, Sec, T., R., M : NWSW SEC 35-T9S-R21E
County : UINTAH
State : UTAH

12. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

NOTICE OF INTENT
(Submit in Duplicate)

- ☐ Abandonment
- ☐ Casing Repair
- ☐ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Multiple Completion
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Recompletion
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Approximate Date Work Will Start: _____

SUBSEQUENT REPORT
(Submit Original Form Only)

- ☐ Abandonment *
- ☐ Casing Repair
- ☒ Change of Plans
- ☐ Conversion to Injection
- ☐ Fracture Treat
- ☐ Other
- ☐ New Construction
- ☐ Pull or Alter Casing
- ☐ Shoot or Acidize
- ☐ Vent or Flare
- ☐ Water Shut-Off

Date of Work Completion: 5/2/05

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.
* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

OPERATOR AMENDED THE DRILLING PROGRAM ON FILE: TD CHANGE FROM 8400' TO 9200'. THE CASING PROGRAM STAYED THE SAME.

COPY SENT TO OPERATOR
Date: 5-11-05
Initials: CHD

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 05-10-05
By:

14. I hereby certify that the foregoing is true and correct.

Name & Signature: DEBRA DOMENICI Title: ASSOC ENV ANALYST Date: 05/05/05

(State Use Only)

RECEIVED
MAY 10 2005
DIV. OF OIL, GAS & MINING

(8/90) See Instructions on Reverse Side

From: Diana Whitney
Subject: Re: FW: TD changes

Diana,

Please see the list below for the formation changes. If I need to send in new sundries, please let me know.

Debra

From: Laney, Brad
Sent: Tuesday, May 10, 2005 1:44 PM
To: Domenici, Debra
Subject: RE: TD changes

Debra,

Hopefully the info listed below will help.

Brad

From: Domenici, Debra
Sent: Tuesday, May 10, 2005 1:08 PM
To: Laney, Brad
Subject: FW: TD changes

Brad,

On the wells that we did TD changes, were any of them going to different zones?

formation(s)	New formations		Old
NBU 392	10550		Wasatch
Wasatch/MV			
STATE 921-32M	9700		Wasatch
Wasatch/MV			
BAYLESS STATE 2-3	10600		Wasatch
Wasatch/MV			
BAYLESS STATE 2-2	10600		Wasatch
Wasatch/MV			
NBU 442	9200		Wasatch/MV
Wasatch/MV			
CIGE 291	9100		
Wasatch/MV		Wasatch/MV	
CIGE 285	9200		
Wasatch/MV		Wasatch/MV	
NBU 921-22L	9760		
Wasatch/MV		Wasatch/MV	
NBU 457	9750		Wasatch
Wasatch/MV			
GB 822-22D	10300		
Wasatch/MV		Wasatch/MV	
NBU 278	9450		Wasatch/MV
Wasatch/MV			

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: U-01194-A-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER CONFIDENTIAL

b. TYPE OF WORK: NEW WELL ☑ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT

8. WELL NAME and NUMBER: NBU 442

2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.

9. API NUMBER: 4304734788

3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 1964'FSL & 815'FWL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 35 9S 21E

12. COUNTY: UINTAH

13. STATE: UTAH

14. DATE SPUDDED:	15. DATE T.D. REACHED:	16. DATE COMPLETED:		17. ELEVATIONS (DF, RKB, RT, GL):
9/30/2004	5/2/2005	5/21/2005	ABANDONED ☐ READY TO PRODUCE ☑	5065'GL

18. TOTAL DEPTH: MD 9,188 TVD	19. PLUG BACK T.D.: MD 9,124 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	54#		40		28			
12 1/4"	9 5/8 H-40	32.3#		2,020		500			
7 7/8	4 1/2 I-80	11.6#		9,188		2185			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,280							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	5,490	7,317		
(B) MESAVERDE	7,566	9,076		
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
5,490 7,317	0.35	14	Open ☑ Squeezed ☐
7,566 9,076	0.35	132	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5490'-7317'	PMP 2729 BBLS YF118ST & 416,900# 20/40 SD
7566'-9076'	PMP 6004 BBLS YF120ST & 754,700# 20/40 SD

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

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JUN 13 2005
DIV. OF OIL, GAS & MINING

(5/2000) **(CONTINUED ON BACK)**

CONFIDENTIAL

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
5/21/2005		5/22/2005		24			0	1,115	400	FLOWING
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
27/64	606	1,739					0	1,115	400	PROD

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
5/21/2005		5/22/2005		24			0	1,115	400	FLOWING
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
27/64	606	1,739					0	1,115	400	PROD

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH	4,746	7,442			
MESAVERDE	7,442				

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE

SIGNATURE DATE 6/6/2005

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: U-01194-A-ST

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER _____

8. WELL NAME and NUMBER: NBU 442

2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.

9. API NUMBER: 4304734788

3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1964'FSL & 815'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 35 9S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
Date of work completion: 5/1/2005	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: DRILLING OPERATIONS
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2020' TO 9188'. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/685 SX PREM LITE II @11.59 PPG 2.45 YIELD. TAILED W/1500 SX 50/50 POZ @14.3 PPG 1.31 YIELD.

RELEASED CAZA 12 ON 5/2/05 AT 1800 HRS.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego DATE 5/3/2005

(This space for State use only)

RECEIVED
MAY 10 2005
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: U-01194-A-ST

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU ~~447~~ 442

2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.

9. API NUMBER: 4304734788

3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1964'FSL & 815'FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 35 9S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion: _____	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: PRODUCTION START-UP
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 5/21/05 AT 10:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego DATE 5/23/2005

(This space for State use only)

RECEIVED
JUN 01 2005
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

WESTPORT OIL & GAS COMPANY, LP

CHRONOLOGICAL HISTORY

NBU 442

	SPUD	Surface Casing Air Rig	Activity	Status
9/1/04			Build Location, 5% complete	Caza 12
9/2/04			Build Location, 5% complete	Caza 12
9/3/04			Build Location, 25% complete	Caza 12
9/7/04			Build Location, 25% complete	Caza 12
9/8/04			Build Location, 50% complete	Caza 12
9/9/04			Build Location, 60% complete	Caza 12
9/10/04			Build Location, 75% complete	Caza 12
9/13/04			Build Location, 90% complete	Caza 12
9/14/04			Build Location, 90% complete	Caza 12
9/15/04			Build Location, 90% complete	Caza 12
9/16/04			Build Location, 100% complete	Caza 12
9/17/04			Location built. WOBR	Caza 12
9/20/04			Location built. WOBR	Caza 12
9/21/04			Location built. WOBR	Caza 12
9/22/04			Location built. WOBR	Caza 12
9/23/04			Location built. WOBR	Caza 12
9/24/04			Location built. WOBR	Caza 12
9/27/04			Location built. WOBR	Caza 12
9/28/04			Location built. WOBR	Caza 12
9/29/04			Location built. WOBR	Caza 12
9/30/04			Location built. WOBR	Caza 12
10/1/04			Location built. WOBR	Caza 12

10/4/04		14" @ 40'	Set conductor 9/30/04. WOAR	Caza 12
10/5/04		14" @ 40'	Set conductor 9/30/04. WOAR	Caza 12
10/6/04		14" @ 40'	Set conductor 9/30/04. WOAR	Caza 12
10/7/04		14" @ 40'	Set conductor 9/30/04. WOAR	Caza 12
10/8/04		14" @ 40'	Set conductor 9/30/04. WOAR	Caza 12
10/11/04		14" @ 40'	Set conductor 9/30/04. WOAR	Caza 12
10/12/04	10/11/04	14" @ 40'	Spud w/Air Rig. DA @ 1060'	Caza 12
10/13/04	10/11/04	14" @ 40'	DA @ 1910'	Caza 12
10/14/04	10/11/04	9 5/8" @ 1994'	Drill to 2020'. Set surf csg	WORT Caza 12
10/15/04	10/11/04	9 5/8" @ 1994'		WORT Caza 12
10/18/04	10/11/04	9 5/8" @ 1994'		WORT Caza 12
10/19/04	10/11/04	9 5/8" @ 1994'		WORT Caza 12
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02/01/05	10/11/04	9 5/8" @ 1994'	WORT Caza 12
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04/12/05	TD: 2020' Csg. 9 5/8"@ 1993' MW: 8.3 SD: 4/X/05 DSS: 0 Move to the NBU 442. Rig up rotary tools. 70% rigged up.		
04/13/05	TD: 2004' Csg. 9 5/8"@ 1993' MW: 8.3 SD: 4/13/05 DSS: 0		

Finish rigging up rotary tools. Nipple up and test BOPE. PU 7 7/8" PDC bit and Mud Motor. Drill cement and FE @ report time.

04/14/05 **TD: 3420' Csg. 9 5/8"@ 1993' MW: 8.4 SD: 4/13/05 DSS: 1**
Drill float shoe and survey. Rotary spud @ 0630 hrs 4/13/05. Drill from 2004'-3420'. DA @ report time.

04/15/05 **TD: 4475' Csg. 9 5/8"@ 1993' MW: 8.4 SD: 4/13/05 DSS: 2**
Drill from 3420'-4475'. DA @ report time.

04/18/05 **TD: 6590' Csg. 9 5/8"@ 1993' MW: 9.6 SD: 4/13/05 DSS: 5**
Drill from 4475'-4566'. Close in mud pits and mud up. Drill to 6590'. DA @ report time.

04/19/05 **TD: 6955' Csg. 9 5/8"@ 1993' MW: 9.9 SD: 4/13/05 DSS: 6**
Drill from 6590'-6955'. DA @ report time.

04/20/05 **TD: 7120' Csg. 9 5/8"@ 1993' MW: 10.0 SD: 4/13/05 DSS: 7**
Drill from 6955'-7036'. TFNB and MM. Drill from 7036'-7120'. DA @ report time.

04/21/05 **TD: 7545' Csg. 9 5/8"@ 1993' MW: 10.1 SD: 4/13/05 DSS: 8**
Drill from 7036'-7545'. DA @ report time.

04/22/05 **TD: 7545' Csg. 9 5/8"@ 1993' MW: 10.1 SD: 4/13/05 DSS: 9**
Drill from 7545'-7867'. DA @ report time.

04/25/05 **TD: 8590' Csg. 9 5/8"@ 1993' MW: 12.3 SD: 4/13/05 DSS: 12**
Drill from 7867'-8590'. DA @ report time.

04/26/05 **TD: 8718' Csg. 9 5/8"@ 1993' MW: 12.8 SD: 4/13/05 DSS: 13**
Drill from 8590'-8718'. TFNB and MM. Slip and cut drill line. TIH @ report time.

04/27/05 **TD: 8865' Csg. 9 5/8"@ 1993' MW: 12.9 SD: 4/13/05 DSS: 14**
Finish TIH with new bit and MM. Drill from 8718'-8865'. DA @ report time.

04/28/05 **TD: 9065' Csg. 9 5/8"@ 1993' MW: 12.9 SD: 4/13/05 DSS: 15**
Drill from 8865'-9065. DA @ report time.

04/29/05 **TD: 9168' Csg. 9 5/8"@ 1993' MW: 12.9 SD: 4/13/05 DSS: 16**
Drill from 9065'-9168'. DA @ report time.

05/02/05 **TD: 9188' Csg. 9 5/8"@ 1993' MW: 12.9 SD: 4/13/05 DSS: 19**
Drill from 9168'-9188' TD. Short trip to 4600' and CCH for logs. Run Triple combo. CCH for casing. Lay down Drill String and run and cement 4 ½" Production Casing. Set slips and Release rig @ 1800 hrs 5/1/05. Rig down rotary tools and prepare to move to CIGE 285 this am.

05/12/05 PROG: MIRU CUTTERS, LOG CBL-CCL. ROAD RIG IN TO LOC, SPOT IN EQUIP. RU NU BOP, SDFN.

05/13/05 PROG: TES CSG & BOP TO 7500#, GOOD TEST. TALLY & PU 2-3/8 J-55 TBG. TAG @ 9124', CIRC BTM UP POOH SDFN.

05/16/05 PROG: RIG ON STAND BY.

05/17/05 PROG: STAGE #1: MIRU SCHLUMBERGER & CUTTERS RIH PERF @ 9071'-76' 9004'-7' 8855'-58' 4 SPF BRK PERF @ 3290#. INJ RT: 35 BPM, INJ PSI: 5550#, ISIP: 2845#, FG: .75.

FRAC W/141600# 20/40 SD & 1316 BBL YF120ST+ GEL FLUID, MP: 6078#, AR: 36.1 BPM, AP: 4434#, AR: 34.2 BPM, ISIP: 3550#, FG: .84, NPI: 705#.

STAGE #2: RIH SET 10K CBP @ 8545' PERF @ 8371'-76' 8514'-15' 4 SPF BRK PERF @ 3000#, INJ RT: 25 BPM. INJ PSI: 4300#, ISIP: 2600#, FG: .74, FRAC W/60600# 20/40 SD & 570 BBL YF120ST+ GEL FLUID, MP: 4352#, MR: 26 BPM, AP: 3427#, AR: 24.3 BPM, ISIP: 3000#, FG: .78, NPI: 400#.

STAGE #3: RIH SET 10K CBP @ 8220' PERF @ 7980'-84', 8083'-86', 8184' 90', 4 SFP BRK PERF @ 2907#, INJ RT: 45 BPM, INJ PSI: 4900#. ISIP: 2000#, FG: .68, FRAC W/332200# 20/40 SD & 2440 BBL YF120ST+ MP: 5227#, MR: 51.1 BPM, AP: 4264#, AR: 46.6 BPM, ISIP: 2750#, FG: .77, NPI: 750#.

STAGE #4: RIH SET 10K CBP @7795' PERF @ 7566'-68', 7672'-76', 7760'-65', 4 SPF BRK PERF @ 2935#, INJ RT: 40 BPM, INJ PSI: 4600#, ISIP: 2000#, FG: .69, FRAC W/220300# 20/40 SD & 1678 BBL YF118ST GEL FLUID, MP: 4695#, MR: 46.1, AP: 3475#, AR: 41.9 BPM, ISIP: 2500#, FG: .75 NPI: 500#.

STAGE #5: RIH SET 5K CBP PERF @ 7313'-17' 4 SPF SWI SDFN.

05/18/05 PROG: BRK PERF @ 3207#, INJ RT: 30 BPM, INJ PSI: 4300#, ISIP: 1690#, FG: .66, FRAC W/122900# 20/40 SD & 960 BBL YF118ST GEL FLUID. MP: 4326, MR: 31.8 BPM, AP: 3238#, AR: 30.4 BPM, ISIP: 2990#, FG: .84, NPI: 1300#.

STAGE #6: RIH SET 5K CBP @ 5822' PERF @ 5490'-94' 5636'-38' 5787'-92' 4 SPF BRK PERF @1525#, INJ RT: 40 BPM, INJ PSI: 4000#, ISIP: 1000#, FG: .61, FRAC W/294000# 20/40 SD & 1769 BBL YF118ST GEL FLUID. MP: 3986#, MR: 40.5 BPM, AP: 2401#, AR: 39 BPM, ISIP: 1700#, FG: .73, NPI: 700#, RIH SET 5K CBP @5250'. RD SCHLUMBERGER & CUTTERS RIH W/3-7/8 BIT POBS TAG CBP. RU DRLG EQUIP, DRL OUT CBP @ 5250' 600# KICK. RIH TAG @ 5800' 20' SD ON PLUG DRL OUT SD & CBP @ 5822' 200# KICK. RIH TAG @ 7275' 70' SD ON PLUG DRL OUT SD & CBP @ 7347' 400# KICK. RIH TAG @ 7765' 30 ' SD ON PLUG DRL OUT SD & CBP @ 7795' 200# KICK. CIRC OUT CLEAN, SDFN.

05/19/05 PROG: 7:00 AM OPEN WL 1300#. RIH TAG @ 8190'. 30 SD. DRL DN TO CBP @ 8220 . DRL UP CBP @ 8220, 600# INC. RIH TAG @ 8515', 30 SD. DRL DN TO CBP 8545' DRL UP CBP @ 8545', 400# INC. RIH CLEAN OUT FROM 9094, TO 9124' . CIRC WL CLEAN . POOH LD TBG. 256 JTS IN WL LAND TBG . EOT @ 8280.17. ND BOP, NU WELLHEAD. DROP BALL. POBS. PUT WL FLWG TO PIT . 1300#. RD RIG. TURN WL OVER TO FLOWBACK CREW. 12:00 PM. TOTAL CLEAN LOAD FOR FRAC 8,733 BBLS. FLWD BACK 3000 BBLS DURING DRLG OUT. 5733 BBLS LEFT TO REC.

WELL ON FLOWBACK, FLOWBACK REPORT: CP: 1350#, TP: 1200#, 20/64 CHK, 30 BWPH, 24 HRS, SD: TRACE, TTL BBLS FLWD: 3950, TODAYS LTR: 8733 BBLS, LOAD REC TODAY: 3950 BBLS, REMAINING LTR: 4783 BBLS, TOTAL LOAD REC TO DATE: 3950 BBLS.

05/20/05 PROG: WELL ON FLOWBACK, FLOWBACK REPORT: CP: 1400#, TP: 1150#, 20/64 CHK, 24 HRS, 18 BWPH, SD: TRACE, TTL BBLS FLWD: 501, TODAYS LTR: 4,783 BBLS, LOAD REC TODAY: 501 BBLS, REMAINING LTR; 4,282 BBLS, TOTAL LOAD REC TO DATE: 4,451 BBLS.

05/23/05 PROG: 5/21/05: WELL ON FLOWBACK, FLOWBACK REPORT: CP: 1975#, TP: 1025#, 20/64 CHK, 15 BWPH, 24 HRS, SD: CLEAN, TTL BBLS FLWD: 399, TODAYS LTR: 4282 BBLS, LOAD REC TODAY: 399 BBLS, REMAINING LTR: 3,883 BBLS, TOTAL LOAD REC TO

DATE: 4,850 BBLS.

WELL WENT ON SALES: 5/21/05, 10:30 AM. 1000 MCF, 25/64 CHK, SICP: 2100#, FTP: 1100#, 15 BWPH. FINAL REPORT FOR COMPLETION.

ON SALES
05/21/05: 499 MCF, 0 BC, 360 BW, TP: 749#, CP: 1898#, 24/64 CHK, 19 HRS, LP: 102#.

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X Change of Operator (Well Sold) Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective: **1/6/2006**

FROM: (Old Operator):	**TO:** (New Operator):
N2115-Westport Oil & Gas Co., LP	N2995-Kerr-McGee Oil & Gas Onshore, LP
1368 South 1200 East	1368 South 1200 East
Vernal, UT 84078	Vernal, UT 84078
Phone: 1-(435) 781-7024	Phone: 1-(435) 781-7024

CA No. **Unit:** **NATURAL BUTTES UNIT**

WELL NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 3/7/2006
4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
4b. If **NO**, the operator was contacted contacted on:
5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 5/15/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 5/15/2006
3. Bond information entered in RBDMS on: 5/15/2006
4. Fee/State wells attached to bond in RBDMS on: 5/16/2006
5. Injection Projects to new operator in RBDMS on:
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: CO1203
2. Indian well(s) covered by Bond Number: RLB0005239
3. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236

a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
The Division sent response by letter on:

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires Jnovember 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
MUTIPLE WELLS

2. Name of Operator
KERR-McGEE OIL & GAS ONSHORE LP

9. API Well No.

3a. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. *(include area code)*
(435) 781-7024

10. Field and Pool, or Exploratory Area

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
SEE ATTACHED

11. County or Parish, State
UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other CHANGE OF OPERATOR
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED
MAY 10 2006
DIV. OF OIL, GAS & MINING

BLM BOND = CO1203
BIA BOND = RLB0005239

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name *(Printed/Typed)*	Title
RANDY BAYNE	DRILLING MANAGER
Signature	Date
Randy Bayne	May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

5. Lease Serial No.
MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
MUTIPLE WELLS

2. Name of Operator
WESTPORT OIL & GAS COMPANY L.P.

9. API Well No.

3a. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. *(include area code)*
(435) 781-7024

10. Field and Pool, or Exploratory Area

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
SEE ATTACHED

11. County or Parish, State
UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other CHANGE OF OPERATOR
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAY 10 2006
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name *(Printed/Typed)*	Title
BRAD LANEY	ENGINEERING SPECIALIST
Signature	Date
	May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Brad Laney		5-9-06
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 1, 2008

CERTIFIED MAIL NO. 7004 2510 0004 1824 6466

43 047 34788
NBU 442
9S 21E 35

Ms. Sheila Upchego
Kerr McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078

Re: Extended Shut-in and Temporarily Abandoned Well Requirements for Wells on Fee or State Leases

Dear Ms. Upchego,

As of July 2008, Kerr McGee Oil & Gas has twenty-eight (28) State and Mineral Lease Wells (see attachment A) that are in non-compliance with the requirements for extended shut-in or temporarily abandoned (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon showing of good cause by the operator (R649-3-36-1.3.3).

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).

2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and

3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR
OIL, GAS & MINING

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and

2. Copy of recent casing pressure test, and

3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and

4. Fluid level in the wellbore, and

5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

Dustin K. Doucet
Petroleum Engineer

js
Enclosure

cc: Jim Davis, SITLA
Operator Compliance File
Well File

ATTACHMENT A

	Well Name	API	Lease Type	Location	Years Inactive
1	CIGE 5	43-047-30335	STATE	NWSE Sec 31-09S-22E	1 Year 4 Months
2	CIGE 54D	43-047-30851	ML-22582	NENE Sec 35-09S-21E	2 Years 4 Months
3	CIGE 80D	43-047-30853	ML-22652	NWNW Sec 02-10S-21E	1 Year
4	CIGE 51D	43-047-30889	STATE	NENE Sec 31-09S-22E	1 Year 3 Months
5	NBU 54N	43-047-30890	ML-22649	NESW Sec 32-09S-22E	1 Year 3 Months
6	CIGE 92D	43-047-31162	STATE	SENW Sec 13-10S-20E	1 Year
7	NBU 213-36J	43-047-31268	ML-22650	NENE Sec 36-09S-22E	1 Year 1 Month
8	ARCHY BENCH STATE 1-2	43-047-31489	ML-22348-A	NENE Sec 02-11S-22E	1 Year 10 Months
9	CIGE 97D	43-047-31729	STATE	SESE Sec 31-09S-22E	1 Year 7 Months
10	NBU 157	43-047-32007	ML-22649	SESW Sec 32-09S-22E	1 Year 3 Months
11	NBU 343-36E	43-047-32205	ML-22650	SENW Sec 36-09S-22E	1 Year 7 Months
12	NBU 265	43-047-32796	ML-13826	NESE Sec 02-10S-21E	1 Year 2 Months
13	MORGAN STATE 12-36	43-047-32814	ML-22265	NESE Sec 36-09S-21E	1 Year
14	WONSITS STATE 1-32	43-047-32820	ML-47780	SWNE Sec 32-07S-22E	4 Years
15	NBU 333	43-047-33641	ML-23608	SWSW Sec 13-10S-21E	1 Year 6 Months
16	NBU 389	43-047-34229	ML-21329	NENE Sec 28-10S-21E	1 year 4 Months
17	STATE 921-32P	43-047-34422	ML-48758	SESE Sec 32-09S-21E	1 Year 5 Months
18	STATE 920-36P	43-047-34423	ML-48757	SESE Sec 36-09S-20E	2 years 9 Months
19	NBU 440	43-047-34785	STATE	SWNW Sec 34-09S-21E	1 Year 4 Months
20	NBU 442	43-047-34788	STATE	NWSW Sec 35-09S-21E	2 Years 8 Months
21	CIGE 284	43-047-34792	ML-23612	SWNW Sec 01-10S-21E	1 Year 2 Months
22	CIGE 285	43-047-34793	ML-22652	NENE Sec 02-10S-21E	1 Year 8 Months
23	STATE 920-36O	43-047-35788	ML-48757	SWSE Sec 36-09S-20E	1 Year 8 Months
24	NBU 1022-16G	43-047-35948	ML-3276	SWNE Sec 16-10S-22E	1 Year 2 Months
25	NBU 1022-16B	43-047-36158	ML-3276	NWNE Sec 16-10S-22E	1 Year 3 Months
26	NBU 921-34K	43-047-36389	STATE	NESW Sec 34-09S-21E	1 Year 2 Months
27	BONANZA 1023-16J	43-047-37092	ML-22186-A	NWSE Sec 16-10S-23E	1 Year 4 Months
28	NBU 921-34J	43-047-37953	STATE	NWSE Sec 34-09S-21E	1 Year

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: U-01194-A-ST

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 442

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304734788

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1964' FSL 815' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 35 9S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☑ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Remedial Cement
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

KERR MCGEE OIL AND GAS ONSHORE LP REQUESTS TO COMMENCE CORRECTIVE ACTIVITIES FOR THE EPA PERMIT NUMBER UT21145-07823.

PLEASE SEE ATTACHED.

COPY SENT TO OPERATOR
Date: 11.13.2008
Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego DATE 11/6/2008

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS AND MINING
DATE: 11/10/08
BY:

Federal Approval Of This Action Is Necessary

RECEIVED
NOV 10 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

APPENDIX F

CORRECTIVE ACTION REQUIREMENTS

A remedial cement job is required on CIGE 114 SWD (injection well) prior to receiving authorization to begin injection. See Appendix E for details. A cement bond log (CBL) will be performed to determine if the bond is adequate. If the CBL does not show >80% bond, then Part II Mechanical Integrity demonstration will be required. A radioactive tracer survey (RTS) and temperature logging will be required prior to receiving authorization to inject. The RTS demonstration will be required every 5 years thereafter and the temperature log will be required annually.

Both wells, NBU 921-34H and NBU 442 are located within the Area of Review (AOR) and require corrective action and/or Part II Mechanical Integrity demonstration. It is noted that all perforations are from the cutters GR-CBL-CCL- dated July 24, 2006.

NBU 921-34H
TD: 9505 ft
TOC: Unknown, No CBL for the surface casing (0-2540 ft)
Distance: 1224 ft to the North
Cement through confining zone (CZ): unknown; no CBL log for the surface casing which is set at 2450 ft

Corrective Action: A remedial cement job will be performed through upper CZ; then a radioactive tracer survey will ran through both the upper and lower CZ to determine if there is adequate cement behind pipe to inhibit fluid movement. Some deviations may occur if approved by EPA in advance; the following procedure will be performed:

1. Set RBP (retrievable bridge plug) at ~2200 ft and cap with 10 ft of sand. Set packer at ~1400 ft and pressure test RBP to 1000 psi. Reset packer at ~1300 ft and pressure test annulus to 1000 psi.

2. Upper CZ: The well will be perforated at 1370 ft with 4 SPF. Cement will be squeezed on the backside from ~1370-1641 ft using ~148 sacks of class G or 100% excess of volume to fill 12.25" borehole with 9.625" casing annular void estimated from calculations.

3. Drill out cement and test squeeze to 500 psi.

4. Perforate at 1675 ft and 1925 ft with 4 SPF. Set a packer at ~1800 ft and conduct a radioactive tracer survey to demonstrate external mechanical integrity across the top of the lower confining zone at 1955 ft.

5. Release packer and retrieve RBP. Reset RBP at ~1800 ft and packer at ~1600 ft. Conduct a radioactive tracer survey to demonstrate external mechanical integrity

across the base of the upper confining zone at 1641 ft.

6. Reset RBP at ~2200 ft and cap with 10 ft of sand. Set the packer at ~1875 ft and cement squeeze perforations at 1925 ft with sufficient volume to reach 1380 psi bottom hole squeeze pressure.

7. Reset packer at ~1625 ft and cement squeeze perforations at 1675 ft with sufficient volume to reach 1210 psi bottom hole squeeze pressure.

8. Drill out cement plugs and pressure test to 500 psi. Retrieve RBP and clean out to PBTD. Clean out to PBTD and land tubing at ~8400 ft.

9. An annual temperature log will be required annually after injection begins to demonstrate that fluids are not moving behind pipe and out of the permitted injection zone.

NBU 442
TD: 9188 ft
TOC: Unknown, No CBL for the surface casing (0-1994 ft)
Distance: ~1350 ft to the West (30 ft outside of ¼ mile)
Cement through CZ: unknown bond in upper CZ and 0% bond in lower CZ
Corrective Action: Annual Temperature Log to monitor for fluid movement behind casing.

Note: All logs shall be submitted to the Director as part of the Annual Report. If the results of the Temperature logging show any indication of Bird's Nest formation fluids moving out of zone, the well will be shut-in and EPA will re-evaluate the authorization to inject into the formation, and consider other options which could include corrective action and/or limited injection up to prohibition to inject. The temperature log results will be evaluated annually to determine if the requirement can be removed.

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: U-01194-A-ST

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES UNIT

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 442

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304734788

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1964' FSL 815' FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 35 9S 21E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☑ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: Annual Temp Log
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

KERR MCGEE OIL AND GAS ONSHORE LP REQUESTS TO COMMENCE CORRECTIVE ACTIVITIES FOR THE EPA PERMIT NUMBER UT21145-07823.

PLEASE SEE ATTACHED.

COPY SENT TO OPERATOR
Date: 11.26.2008
Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE Sheila Upchego MR DATE 11/6/2008

(This space for State use only)

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 11/25/08 (See Instructions on Reverse Side)
BY:

* Operator shall ensure proper isolation w/ cement from Mahogany Bench (2400') upto upper C2

RECEIVED
NOV 12 2008
DIV. OF OIL, GAS & MINING

(5/2000)

APPENDIX F

CORRECTIVE ACTION REQUIREMENTS

A remedial cement job is required on CIGE 114 SWD (injection well) prior to receiving authorization to begin injection. See Appendix E for details. A cement bond log (CBL) will be performed to determine if the bond is adequate. If the CBL does not show >80% bond, then Part II Mechanical Integrity demonstration will be required. A radioactive tracer survey (RTS) and temperature logging will be required prior to receiving authorization to inject. The RTS demonstration will be required every 5 years thereafter and the temperature log will be required annually.

Both wells, NBU 921-34H and NBU 442 are located within the Area of Review (AOR) and require corrective action and/or Part II Mechanical Integrity demonstration. It is noted that all perforations are from the cutters GR-CBL-CCL- dated July 24, 2006.

NBU 921-34H
TD: 9505 ft
TOC: Unknown, No CBL for the surface casing (0-2540 ft)
Distance: 1224 ft to the North
Cement through confining zone (CZ): unknown; no CBL log for the surface casing which is set at 2450 ft

Corrective Action: A remedial cement job will be performed through upper CZ; then a radioactive tracer survey will ran through both the upper and lower CZ to determine if there is adequate cement behind pipe to inhibit fluid movement. Some deviations may occur if approved by EPA in advance; the following procedure will be performed:

1. Set RBP (retrievable bridge plug) at ~2200 ft and cap with 10 ft of sand. Set packer at ~1400 ft and pressure test RBP to 1000 psi. Reset packer at ~1300 ft and pressure test annulus to 1000 psi.

2. Upper CZ: The well will be perforated at 1370 ft with 4 SPF. Cement will be squeezed on the backside from ~1370-1641 ft using ~148 sacks of class G or 100% excess of volume to fill 12.25" borehole with 9.625" casing annular void estimated from calculations.

3. Drill out cement and test squeeze to 500 psi.

4. Perforate at 1675 ft and 1925 ft with 4 SPF. Set a packer at ~1800 ft and conduct a radioactive tracer survey to demonstrate external mechanical integrity across the top of the lower confining zone at 1955 ft.

5. Release packer and retrieve RBP. Reset RBP at ~1800 ft and packer at ~1600 ft. Conduct a radioactive tracer survey to demonstrate external mechanical integrity

across the base of the upper confining zone at 1641 ft.

6. Reset RBP at ~2200 ft and cap with 10 ft of sand. Set the packer at ~1875 ft and cement squeeze perforations at 1925 ft with sufficient volume to reach 1380 psi bottom hole squeeze pressure.

7. Reset packer at ~1625 ft and cement squeeze perforations at 1675 ft with sufficient volume to reach 1210 psi bottom hole squeeze pressure.

8. Drill out cement plugs and pressure test to 500 psi. Retrieve RBP and clean out to PBTD. Clean out to PBTD and land tubing at ~8400 ft.

9. An annual temperature log will be required annually after injection begins to demonstrate that fluids are not moving behind pipe and out of the permitted injection zone.

NBU 442
TD: 9188 ft
TOC: Unknown, No CBL for the surface casing (0-1994 ft)
Distance: ~1350 ft to the West (30 ft outside of ¼ mile)
Cement through CZ: unknown bond in upper CZ and 0% bond in lower CZ
Corrective Action: Annual Temperature Log to monitor for fluid movement behind casing.

Note: All logs shall be submitted to the Director as part of the Annual Report. If the results of the Temperature logging show any indication of Bird's Nest formation fluids moving out of zone, the well will be shut-in and EPA will re-evaluate the authorization to inject into the formation, and consider other options which could include corrective action and/or limited injection up to prohibition to inject. The temperature log results will be evaluated annually to determine if the requirement can be removed.

Kerr McGee Oil and Gas Onshore LP
1368 South 1200 East • Vernal, UT 84078
435-789-4433 • Fax 435-781-7094

43 047 34788
NBU 442
9S 21E 35

November 10, 2008

Mr. Dustin K. Doucet
Division of Oil, Gas and Mining

RE: Extended Shut-In and Temporarily Abandoned Wells
Greater Natural Buttes Area

Dear Mr. Doucet:

Our plan of action for wells cited in your October 1, 2008, letter regarding SI and TA wells is attached. We plan to plug, recomplete or workover every well on the list during the next six months. We will positively establish casing mechanical integrity at that time. In particular, the EPA has requested an expanded Area of Review for the UIC permits we have either received or are preparing. We have to have a plan for a large number of wells in the bottom tier of sections in Township 9S-21E . **These are shown in bold font.**

We have not enclosed all of the data requested in light of the fact that we plan to mobilize on these wells in the near future. If you still require that data, please let us know and we will commence gathering it.

Sincerely,

Ramey Hoopes

Ramey Hoopes

RECEIVED
NOV 12 2008
DIV. OF OIL, GAS & MINING

1	CIGE 5	43-047-30335
2	CIGE 54D	43-047-30851
3	CIGE 80D	43-047-30853
4	CIGE 51D	43-047-30889
5	NBU 54N	43-047-30890
6	CIGE 92D	43-047-31162
7	NBU 213-36J	43-047-31268
8	ARCHY BENCH STATE 1-2	43-047-31489
9	CIGE 97D	43-047-31729
10	NBU 157	43-047-32007
11	NBU 343-36E	43-047-32205
12	NBU 265	43-047-32796
13	MORGAN STATE 12-36	43-047-32814
14	WONSITS STATE 1-32	43-047-32820
15	NBU 333	43-047-33641
16	NBU 389	43-047-34229
17	STATE 921-32P	43-047-34422
18	STATE 920-36P	43-047-34423
19	NBU 440	43-047-34785
20	NBU 442	43-047-34788
21	CIGE 284	43-047-34792
22	CIGE 285	43-047-34793
23	STATE 920-36O	43-047-35788
24	NBU 1022-16G	43-047-35948
25	NBU 1022-16B	43-047-36158
26	NBU 921-34K	43-047-36389
27	BONANZA 1023-16J	43-047-37092
28	NBU 921-34J	43-047-37953

CATEGORY 3 - STATE OR FEE SHUT IN WELL LIST

Well	Reason for SI/TA	POA Timing	Comments & Reasoning for POA
Archy Bench State 1-2	Wellbore integrity issues & poor production	Q2 2009	Refrac & recomplete potential exists in well. Work will be done ro establish production.
Wonsits State 1-32	Not completed in best existing quality pay	Q1 2009	Recomplete potential exists in well. Work will be done ro establish production.
State 920-36P	High water producer with very little gas prodution	Q2 2009	Review of new drills within section & water shut off work needed to determine potential. Water shut off or P&A will be recommended.
State 920-36O	High water producer with very little gas prodution	Q2 2009	Review of new drills within section & water shut off work needed to determine potential. Water shut off or P&A will be recommended.
NBU 1022-16G	High water producer with very little gas prodution	0	Should not be classified as SI as a WSO was performed & production was established in May of 2008. Current rates of 155 mcfd & 69 bwpd.
NBU 1022-16B	High water producer with very little gas prodution	0	Should not be classified as SI as a WSO was performed & production was established in May of 2008. Current rates of 155 mcfd & 69 bwpd.
NBU 213-36J			EOG operated well.
NBU 343-36E			EOG operated well.
BONANZA 1023-16J	Permits being prepared for additional wells		Surface casing set, preparing additional APD's to use location as a multi-well pad. This well will be drilled with the others.
CIGE 5	1.4 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
CIGE 80D	0.4 Bcf Tw Cum. Low gas production.	Q1 2009	Potential for Clean out and RTP.
CIGE 51D	1.0 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
NBU 54N	1.4 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
CIGE 92D	1.6 Bcf Tw Cum.	Q1 2009	Will review for bypassed pay. Prob depleted and can P&A.
CIGE 97D	0.4 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
NBU 157	0.5 Bcf Tw Cum. Twinned in 2007.	Q1 2009	Can P&A.
NBU 265	0.05 Bcf Tw. Refraced in 2007.	Q1 2009	High risk RC cand: 1.7 Bcf Offset. 88XG prob beter RC candidate. Therefore P&A.
NBU 333	0.09 Bcf W/TM. RC Candidate.	Q4 2008	Reviewed 11-06 by kfm (me). Time to RC.
NBU 389	0.07 Bcf Tw Cum. RC Candidate.	Q1 2009	2002 Vintage. Review for RC.
CIGE 54D	**0.95 Bcf Tw Cum. SI in 2006.**	**Q4 2008**	**Will review for RC potential. Within EPA requested Area of Review.**
MORGAN STATE 12-36	**0.09 Bcf W/TM.**	**Q1 2009**	**Note comm w 41J, 2.7 Bcf well. Prob fraced into in 1997. High risk RC. P&A. Within EPA requested Area of Review.**
STATE 921-32P	**0.1 Bcf W/TM/MM. High water producer.**	**Q1 2009**	**Pkr below Mid Tw prod log, unsuccessful water shut off. Try pkr at Top of Kmv. Wihin EPA requested Area of Review.**
NBU 440	**0.01 Bcf W/TM/MM. High water producer.**	**Q1 2009**	**Attempt to set pkr at top of Kmv and produce.**
CIGE 285	**0.1 Bcf. W/TM/MM. High water producer.**	**Q1 2009**	**Attempt to set pkr at top of Kmv and produce.**
NBU 442		**Q42008**	**UIC permit application being prepared.**
CIGE 284		**Q1 2009**	**Within EPA requested Area of Review.**
CIGE 285		**Q1 2009**	**Within EPA requested Area of Review.**
NBU 921-34K		**Q1 2009**	**Mobilizing to convert well to injection.**
NBU 921-34J		**Q1 2009**	**Test Green River. UIC candidate. Within EPA requested Area of Review.**

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

December 23, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6633

Ms. Ramey Hoopes
Kerr McGee Oil and Gas
1368 South 1200 East
Vernal, UT 84078

43 047 34788
NBU 442
9S 21E 35

SUBJECT: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated September 23, 2008

Dear Ms. Hoopes:

The Division of Oil, Gas and Mining (Division) is in receipt of your letter dated November 10, 2008 (received by the Division on November 12, 2008) in regards to the twenty-eight (28) shut-in or temporarily abandoned (SI/TA) wells operated by Kerr McGee Oil and Gas (Kerr McGee). It is the Divisions understanding that Kerr McGee plans to plug, recomplete or workover every well on Attachment A during the next six months.

Based on the submitted information and plan to bring the listed wells out of non-compliance status within a six month period the Division grants extended SI/TA status for the wells listed on Attachment A until September 1, 2009, allowing adequate time to perform the proposed work.

If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Jim Davis, SITLA
Operator Compliance File
Well File

N:\O&G Reviewed Docs\Chron file\Petroleum Engineer\SITA\20081212 KerrMcGee SITA response.doc

ATTACHMENT A

	Well Name	API	Lease Type	Location	Years Inactive
1	CIGE 5	43-047-30335	STATE	NWSE Sec 31-09S-22E	1 Year 4 Months
2	CIGE 54D	43-047-30851	ML-22582	NENE Sec 35-09S-21E	2 Years 4 Months
3	CIGE 80D	43-047-30853	ML-22652	NWNW Sec 02-10S-21E	1 Year
4	CIGE 51D	43-047-30889	STATE	NENE Sec 31-09S-22E	1 Year 3 Months
5	NBU 54N	43-047-30890	ML-22649	NESW Sec 32-09S-22E	1 Year 3 Months
6	CIGE 92D	43-047-31162	STATE	SENW Sec 13-10S-20E	1 Year
7	NBU 213-36J	43-047-31268	ML-22650	NENE Sec 36-09S-22E	1 Year 1 Month
8	ARCHY BENCH STATE 1-2	43-047-31489	ML-22348-A	NENE Sec 02-11S-22E	1 Year 10 Months
9	CIGE 97D	43-047-31729	STATE	SESE Sec 31-09S-22E	1 Year 7 Months
10	NBU 157	43-047-32007	ML-22649	SESW Sec 32-09S-22E	1 Year 3 Months
11	NBU 343-36E	43-047-32205	ML-22650	SENW Sec 36-09S-22E	1 Year 7 Months
12	NBU 265	43-047-32796	ML-13826	NESE Sec 02-10S-21E	1 Year 2 Months
13	MORGAN STATE 12-36	43-047-32814	ML-22265	NESE Sec 36-09S-21E	1 Year
14	WONSITS STATE 1-32	43-047-32820	ML-47780	SWNE Sec 32-07S-22E	4 Years
15	NBU 333	43-047-33641	ML-23608	SWSW Sec 13-10S-21E	1 Year 6 Months
16	NBU 389	43-047-34229	ML-21329	NENE Sec 28-10S-21E	1 year 4 Months
17	STATE 921-32P	43-047-34422	ML-48758	SESE Sec 32-09S-21E	1 Year 5 Months
18	STATE 920-36P	43-047-34423	ML-48757	SESE Sec 36-09S-20E	2 years 9 Months
19	NBU 440	43-047-34785	STATE	SWNW Sec 34-09S-21E	1 Year 4 Months
20	NBU 442	43-047-34788	STATE	NWSW Sec 35-09S-21E	2 Years 8 Months
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22	CIGE 285	43-047-34793	ML-22652	NENE Sec 02-10S-21E	1 Year 8 Months
23	STATE 920-36O	43-047-35788	ML-48757	SWSE Sec 36-09S-20E	1 Year 8 Months
24	NBU 1022-16G	43-047-35948	ML-3276	SWNE Sec 16-10S-22E	1 Year 2 Months
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26	NBU 921-34K	43-047-36389	STATE	NESW Sec 34-09S-21E	1 Year 2 Months
27	BONANZA 1023-16J	43-047-37092	ML-22186-A	NWSE Sec 16-10S-23E	1 Year 4 Months
28	NBU 921-34J	43-047-37953	STATE	NWSE Sec 34-09S-21E	1 Year

JON M. HUNTSMAN, JR.
Governor

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State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

December 23, 2008
January 27, 2009 – re-mailed

~~CERTIFIED MAIL NO.: 7004 2510 0004 1824 6633~~ (returned unclaimed)
CERTIFIED MAIL NO.: 7004 2510 0004 1824 6695

Ms. Ramey Hoopes
Kerr McGee Oil and Gas
1368 South 1200 East
Vernal, UT 84078

43 047 34788
NBU 442
9S 21E 35

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If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281

Sincerely,

Dustin K. Doucet
Petroleum Engineer

DKD/JP/js
Enclosure
cc: Jim Davis, SITLA
Operator Compliance File
Well File

N:\O&G Reviewed Docs\Chron file\Petroleum Engineer\SITA\20081212 KerrMcGee SITA response.doc

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4	CIGE 51D	43-047-30889	STATE	NENE Sec 31-09S-22E	1 Year 3 Months
5	NBU 54N	43-047-30890	ML-22649	NESW Sec 32-09S-22E	1 Year 3 Months
6	CIGE 92D	43-047-31162	STATE	SENW Sec 13-10S-20E	1 Year
7	NBU 213-36J	43-047-31268	ML-22650	NENE Sec 36-09S-22E	1 Year 1 Month
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9	CIGE 97D	43-047-31729	STATE	SESE Sec 31-09S-22E	1 Year 7 Months
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13	MORGAN STATE 12-36	43-047-32814	ML-22265	NESE Sec 36-09S-21E	1 Year
14	WONSITS STATE 1-32	43-047-32820	ML-47780	SWNE Sec 32-07S-22E	4 Years
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16	NBU 389	43-047-34229	ML-21329	NENE Sec 28-10S-21E	1 year 4 Months
17	STATE 921-32P	43-047-34422	ML-48758	SESE Sec 32-09S-21E	1 Year 5 Months
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20	NBU 442	43-047-34788	STATE	NWSW Sec 35-09S-21E	2 Years 8 Months
21	CIGE 284	43-047-34792	ML-23612	SWNW Sec 01-10S-21E	1 Year 2 Months
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27	BONANZA 1023-16J	43-047-37092	ML-22186-A	NWSE Sec 16-10S-23E	1 Year 4 Months
28	NBU 921-34J	43-047-37953	STATE	NWSE Sec 34-09S-21E	1 Year

API Well No: 43047347880000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: U-01194-A-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 442

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047347880000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1964 FSL 0815 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 35 Township: 09.0S Range: 21.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 9/17/2009	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	✓ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

The operator requests authorization to Plug and Abandon the subject well. The well location has been Shut-In, Temporarily Abandon, or a non-producing well. In accordance with the State of Utah demand letter response, the operator will Plug and Abandon the well location. Please refer to the attached Plug and Abandon procedure.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 17, 2009

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 9/15/2009

RECEIVED September 15, 2009

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047347880000

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.

2. Amend Plug #3: This plug shall be an inside/outside plug. RIH and perforate @ 3281'. Establish injection. If injection into the perfs cannot be established a 320' plug (±25 sx) shall be balanced from ±3331' to 3011'. If injection is established: RIH with CICR and set at 3231'. M&P 91 sx cement, sting into CICR pump 74 sx, sting out and dump 17 sx on top of CICR. This will isolate the base of the Moderately Saline Groundwater as required by rule R649-3-24-3.3 and the base of the Parachute Creek Member as required by Cause 190-5(B).

3. Amend Plug #4: This plug shall be an inside/outside plug. RIH and perforate @ 2231'. Establish injection. If injection into the perfs cannot be established a 634' plug (±48 sx) shall be balanced from ±2281' to 1647'. If injection is established: RIH with CICR and set at 2181'. M&P 314 sx cement, sting into CICR pump 164 sx, sting out and dump 150 sx on top of CICR.

4. All balanced plugs shall be tagged to ensure that they are at the depth specified.

5. All annuli shall be cemented from a minimum depth of 100' to the surface.

6. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.

7. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.

8. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.

9. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 17, 2009

By: Dustin Doucet

Wellbore Diagram

API Well No: 43-047-34788-00-00 **Permit No:** **Well Name/No:** NBU 442

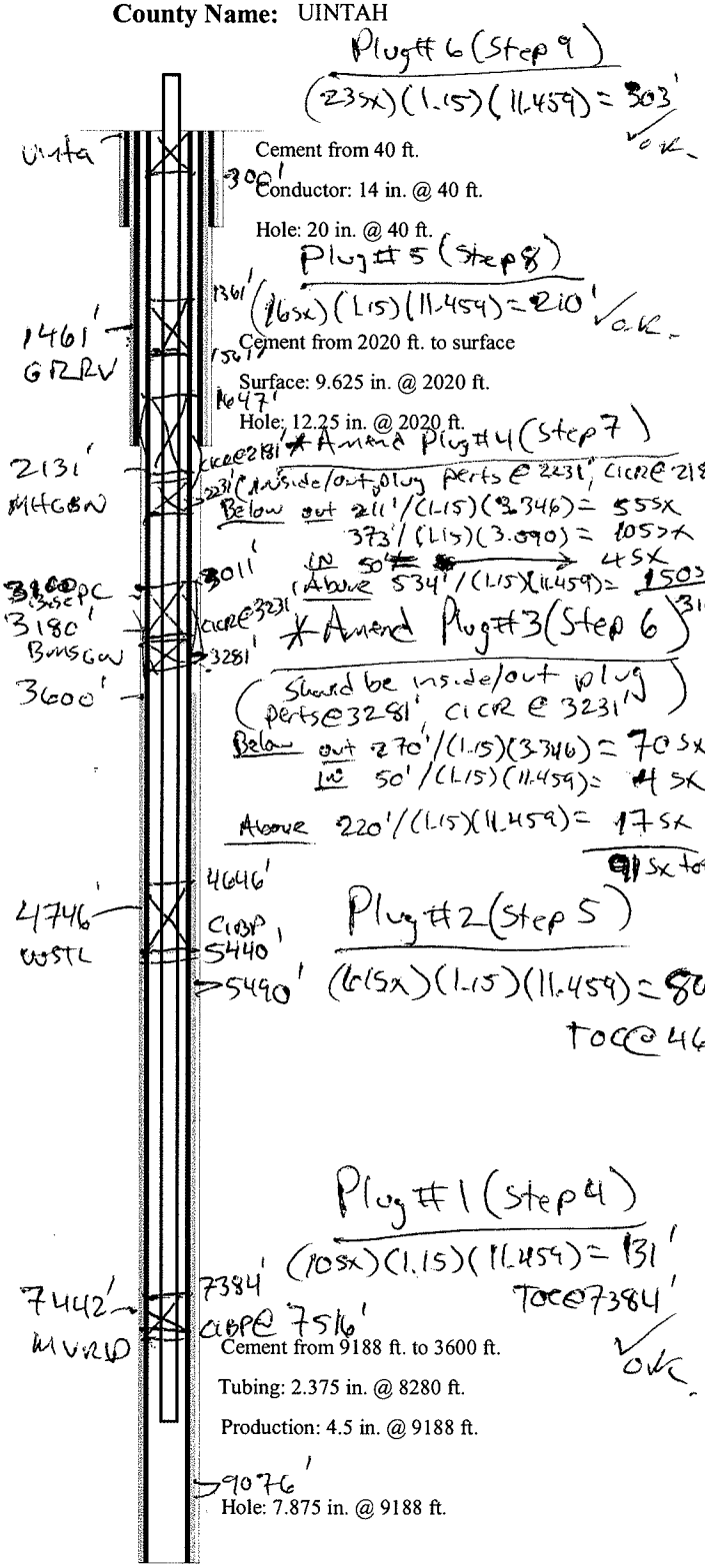
Company Name: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Location: Sec: 35 T: 9S R: 21E Spot: NWSW

Coordinates: X: 625949 Y: 4427539

Field Name: NATURAL BUTTES

County Name: UINTAH



TD: 9188 **TVD:** 9188 **PBTD:** 9124

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (f/cf)
HOL1	40	20			
COND	40	14	54	40	
HOL2	2020	12.25			
SURF	2020	9.625	32.3	2020	
HOL3	9188	7.875			
PROD	9188	4.5	11.6	9188	11.459
TI	8280	2.375			

9 5/8" x 4 1/2" → 3.090

7 7/8" (10%) x 4 1/2" → 3.346

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
COND	40		UK	28
PROD	9188	3600	LT	685
PROD	9188	3600	50	1500
SURF	2020	0	G	500

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
5490	9076			

Formation Information

Formation	Depth
UNTA	0
GRRV	1461
MHGBN	2131
BMSW	3180
WSTC	4746
MVRD	7442

Approved by the Utah Division of Oil, Gas and Mining

Date: September 17, 2009

By: Dark Quist

NBU 442
815' FWL & 1964' FSL
NWSW SEC.35, T9S, 21E
Uintah County, UT

KBE:	5080'	**API NUMBER:**	43-047- 34788
GLE:	5065'	**LEASE NUMBER:**	U-01194-A-ST
TD:	9188'	**WI:**	100%
PBTD:	9124'	**NRI:**	83.202950%

CASING: 12.25" hole
9.625" 32.3# H-40@ 1994'
Cemented with 185 sx Class "G" (15.8ppg/ 1.15 yield). Pumped top job using 320 sx Class "G" (15.8ppg/ 1.15 yield) cement. Hole stayed full at EOJ, TOC @ surface.

7.875" hole
4.5" 11.6# I-80 @ 9171'
Cemented with 685 sx. Prem.lite 2 High Strength Class "B" (11.6ppg/2.16 yield) lead and 1500 sx 50/50 POZ Class "G" (14.3ppg/1.31 yield). TOC @ surface by CBL.

TUBING: 2.375" 4.7# J-55 tubing at 8280'

Tubular/Borehole	Drift inches	Collapse psi	Burst Psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1626	0.02173	0.00387
4.5" 11.6# N/M/I-80 csg	3.875	6350	7780	0.6528	0.0872	0.01554
Annular Capacities						
2.375" tbg. X 4.5" 11.6# csg.				0.4226	0.0565	0.01006
4.5" csg. X 9.625" 32.3# csg.				2.4780	0.3314	0.0590
4.5" csg. X 7.875" hole				1.7052	0.2278	0.0406
9.625" csg. X 12.25" hole				2.3436	0.3132	0.0558

GEOLOGIC INFORMATION:

Formation	**Depth to top, ft.**
Uinta	Surface
Green River	1461'
Birds Nest	1747'
Mahogany	2131'
Parachute Member	3111'
Wasatch	4746'
Mesaverde	7484'

Tech. Pub. #92 Base of USDW's

USDW Elevation	~1900' MSL
USDW Depth	~3181' KBE

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PERFORATIONS:

Formation	Date	Top	Bottom	SPF	Size, in.	STATUS
Wasatch	5/16/2005	5490	5494	4	0.35	Open
Wasatch	5/16/2005	5636	5638	4	0.35	Open
Wasatch	5/16/2005	5787	5792	4	0.35	Open
Wasatch	5/17/2005	7313	7317	4	0.35	Open
Mesa Verde	5/17/2005	7566	7568	4	0.35	Open
Mesa Verde	5/17/2005	7672	7676	4	0.35	Open
Mesa Verde	5/17/2005	7760	7765	4	0.35	Open
Mesa Verde	5/17/2005	7980	7984	4	0.35	Open
Mesa Verde	5/17/2005	8083	8086	4	0.35	Open
Mesa Verde	5/17/2005	8184	8190	4	0.35	Open
Mesa Verde	5/17/2005	8371	8376	4	0.35	Open
Mesa Verde	5/17/2005	8514	8515	4	0.35	Open
Mesa Verde	5/17/2005	8855	8858	4	0.35	Open
Mesa Verde	5/17/2005	9004	9007	4	0.35	Open
Mesa Verde	5/17/2005	9071	9076	4	0.35	Open

WELL HISTORY:

Completion – May 2005

- Perforated the gross Mesa Verde interval 8855' through 9076' and fractured with 1316 bbl gel containing 141600# 20/40 mesh sand.
- Perforated the gross Mesa Verde interval 8371' through 8515' and fractured with 570 bbl gel containing 60600# 20/40 mesh sand.
- Perforated the gross Mesa Verde interval 7980' through 8190' and fractured with 2440 bbl gel containing 332200# 20/40 mesh sand.
- Perforated the gross Mesa Verde interval 7566' through 7765' and fractured with 1678 bbl gel containing 220300# 20/40 mesh sand.
- Perforated the Wasatch interval 7313-7317' and fractured with 960 bbl gel containing 122900# 20/40 mesh sand.
- Perforated the gross Wasatch interval 5490' through 5792' and fractured with 1769 bbl gel containing 294000# 20/40 mesh sand.
- Drilled out to PBTD and landed tubing at 8280'.
- Tested 1115 MCFD, 0 BOPD, 400 BWPD, 606 psi FTP, 1739 psi SICP, 27/64th choke on 5/22/2005. The well quickly declined and died within three months.

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NBU 442 PLUG & ABANDONMENT PROCEDURE

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED PRODUCED WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDE. PREMIX 5 GALLSONS PER 100 BBLS FLUID.
- NOTIFY UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

Note: An estimated 202 sx Class "G" cement needed for procedure

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.

2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL AND PREP FOR GYRO.

3. RUN GYRO SURVEY.

4. **PLUG #1, ISOLATE MESAVERDE PERFORATIONS (7566' – 9076') & PROTECT MESAVERDE TOP (7484'):** RIH W/ 4 ½" CIBP. SET @ ~7516'. RELEASE CIBP, BRK CIRC W/ FRESH WATER. DISPLACE 10 SX (11.51 CUFT.) ON TOP OF PLUG. PUH ABOVE TOC (~7384', 132' COVERAGE). REVERSE CIRCULATE W/ 10 PPG BRINE.

5. **PLUG #2, ISOLATE WASATCH PERFORATIONS (5490' – 7313') & WASATCH TOP (4746'):** RIH W/ 4 ½" CIBP. SET @ ~5440'. RELEASE CIBP, BRK CIRC W/ FRESH WATER. DISPLACE 61 SX (69.24 CUFT.) ON TOP OF PLUG. PUH ABOVE TOC (~4646', 794' COVERAGE). REVERSE CIRCULATE W/ 10 PPG BRINE.

6. **PLUG #3, PROTECT BASE OF USDW (~3181') & BASE OF PARACHUTE MEMBER (~3111'):** PUH TO ~3281'. BRK CIRC W/ FRESH WATER. DISPLACE 21 SX (23.55 CUFT.) AND BALANCE PLUG W/ TOC @ ~3011' (270' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ 10 PPG BRINE.

7. **PLUG #4, PROTECT MAHAGONY TOP (2131'), SURFACE SHOE (1994'), & TOP OF BIRD'S NEST (1747'):** PUH TO ~2231'. BRK CIRC W/ FRESH WATER. DISPLACE 45 SX (50.93 CUFT.) AND BALANCE PLUG W/ TOC @ ~1647' (584' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ 10 PPG BRINE

8. **PLUG #5, PROTECT TOP OF GREEN RIVER (1461'):** PUH TO ~1561'. BRK CIRC W/ FRESH WATER. DISPLACE 16 SX (17.44 CUFT.) AND BALANCE PLUG W/ TOC @ ~1361' (200' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ 10 PPG BRINE.

9. **PLUG #5, SURFACE HOLE:** PUH TO 300'. BRK CIRC W/ FRESH WATER. DISPLACE 23 SX (26.16 CUFT.) OR SUFFICIENT VOLUME TO FILL 4 ½" CSG TO SURFACE.

10. CUT OFF WELLHEAD AND INSTALL MARKER PER BLM GUIDELINES.

11. RDMO. TURN OVER TO OPERATIONS FOR SURFACE REHAB.

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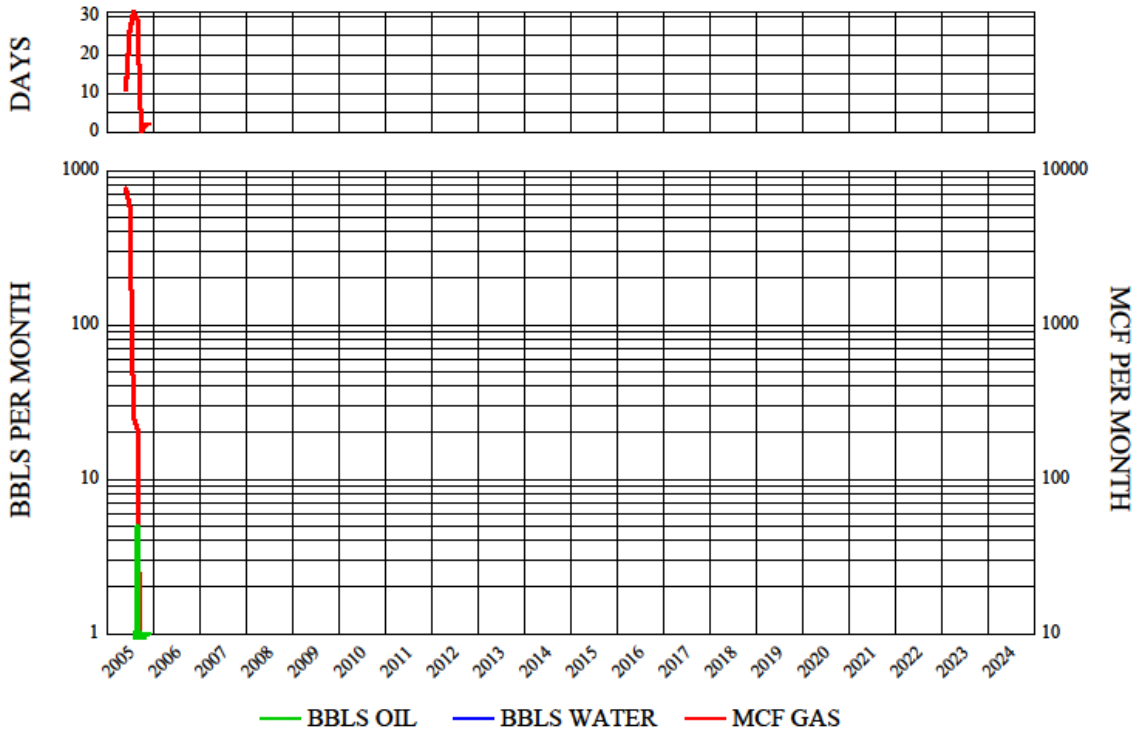
DML 6/26/09

#43-047-34788-00-00 NWSW 35-T9S-R21E
NBU 442
KERR-MCGEE OIL & GAS ONSHORE, L.P.
NATURAL BUTTES

CUM OIL = 7
CUM WATER = 0
CUM GAS = 13954



RECEIVED September 15, 2009

API Well No: 43047347880000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: U-01194-A-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 442

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047347880000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1964 FSL 0815 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 35 Township: 09.0S Range: 21.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 9/30/2009	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	✓ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR HAS PERFORMED THE PLUG AND ABANDON ON THE SUBJECT WELL LOCATION. THE OPERATOR HAS PLUGGED THE WELL IN ACCORDANCE WITH THE STATE OF UTAH DEMAND LETTER. PLEASE REFER TO THE ATTACHED PLUG AND ABANDON CHRONOLOGICAL WELL HISTORY.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

October 05, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 10/5/2009

RECEIVED October 05, 2009

US ROCKIES REGION

Operation Summary Report

Well: NBU 442			Spud Date: 4/13/2005
Project: UTAH-UINTAH	Site: NBU 442		Rig Name No: SWABBCO 1/1
Event: ABANDONMENT	Start Date: 9/23/2009		End Date: 9/30/2009
Active Datum: RKB @5,080.99ft (above Mean Sea Level)	UWI: NBU 442		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
9/23/2009	7:00 - 15:00	8.00	ABAND	48		P		DAY 1 - JSA & SM. RD RIG OFF OF NBU 921-27HT. ROAD RIG TO NBU 442. MIRU SERVICE UNIT. SPOT EQUIP. DIG SMALL PIT. SITP = 3300 PSI, SICP = 2500 PSI. BLOW DWN WELL TO PIT. PRESSURE HOLDING - FTP = 1550 PSI, SICP = 1850 PSI. MIRU FLOW BACK TANK. TURN WELL TO FLOW BACK TANK & FLOW OVER NIGHT TO LOWER PRESSURE. 15:00 - TURN OVER WELL TO FLOW BACK CREW. FTP = 1300 PSI, SICP = 2100 PSI.
9/24/2009	7:00 - 7:15	0.25	ABAND	48		X		DAY - JSA & SM. NO H2S PRESENT.
	7:15 - 8:30	1.25	ABAND	33	F	X		05:00 - FTP = 525 PSI, SICP = 1850 PSI. WTR = 40 BPH, 28 CHOKE. 08:30 RELEASE RIG CREW. 09:00 - SIW, INSTALL 30 CHOKE. CONT. TO FLOW WELL TO FLOW BACK TANK. FTP = 425 PSI, SICP = 1850 PSI, WTR = 32 BPH. 13:00 - SIW, INSTALL 44 CHOKE. CONT. TO FLOW WELL TO FLOW BACK TANK. FTP = 325 PSI, SICP = 1675 PSI, WTR = 32 BPH. 15:00 - FTP - 250 PSI, SICP = 1500 PSI, WTR = 40 BPH, 44 CHOKE.
9/25/2009	7:00 - 7:15	0.25	ABAND	48		P		DAY 3 - JSA & SM. NO H2S PRESENT.

US ROCKIES REGION

Operation Summary Report

Well: NBU 442			Spud Date: 4/13/2005
Project: UTAH-UINTAH	Site: NBU 442		Rig Name No: SWABBCO 1/1
Event: ABANDONMENT	Start Date: 9/23/2009		End Date: 9/30/2009
Active Datum: RKB @5,080.99ft (above Mean Sea Level)	UWI: NBU 442		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:15 - 16:00	8.75	ABAND	33	F	P		SICP = 1500 PSI, FTP = 50 PSI. PMP 8 BBLS 10# BRINE DWN TBG. PRESSURED UP TO 500 PSI. PMP 50 BBLS BRINE DWN CSG. NDWH, NU BOP. RU FLOOR & TBG EQUIP. LD TBG HNGR & POOH W/256 JTS OF 2 3/8" 4.7# J55 TBG & STD BK IN DRK. (NOTED SCALE ON OUTSIDE OF TBG @ +/- 5300' - TOP PERF @ 5490'). MIRU CUTTERS WIRELINE. PU CSG SCRAPPER & RIH. TAG FILL @ 8997'. (PBTD @ 9124' - BTM PERF @ 9076'). POOH W/TOOLS & LD SCRAPPER. PU 4 1/2" CIBP & RIH. SET CIBP @ 7516'. (TOP PERF M.V. @ 7566'). POOH W/TOOLS. PU DUMP BAILER & DUMP BAIL CMT ONTOP OF CIBP @ 7516'. LD BAILER. PU 4 1/2" CIBP & RIH. SET CIBP @ 5440'. (TOP PERF WASATCH @ 5490'). POOH & LD TOOLS. FILL CSG W/FRESH WTR. PT CSG TO 500 PSI & HOLD FOR 15 MIN. (GOOD TEST) PU NC & RIH ON 16 JTS 2 3/8" TBG. 16:00 - AIR COMPRESSOR ON RIG MOTOR WENT OUT. RIG SHUT DOWN. CLOSE PIPE RAMS, CLOSE TIW VALVE. SIW - SDFN.
9/29/2009	7:00 -		ABAND	30		P		HSM TIH 168 JNTS TO 5440' R/U CEMENTERS P/61 SKS CEMENT TOP @ 4630' TOH 30 JNTS EOT @ 4455' CIRC HOLE WITH 10# BRINE R/U TESTERS TBG SCOPE OUT OF HOLE 138 JNTS STAND BACK 100 JNTS LD REST ON FLOAT TIH 118 JNTS FROM DERRICK TEST OUT LD ON FLOAT R/U WIRELINE RIH PERF @ 3281' UNABLE TO PUMP INTO PERFS PERF @ 2231' EST INJ RATE OF 5 BPM @ 400# R/D WIRELINE TIH 103 JNTS TO 3331' P/25 SKS TOP OF CEMENT @ 3011' LD 10 JNTS TOH 24 STANDS EOT @ 1452' SWI SDFN
9/30/2009	7:00 - 15:00	8.00	ABAND	30		P		HSM TIH TAG CEMENT WITH 97 1/2 JNTS @ 3147' = 136' LOW P/15 SKS CEMENT TOP @ 2955' TOH 66 JNTS LD 31 JNTS R/U WL SET CICR @ 2181' TIH STINGER & 67 JNTS SUB UP STING INTO CICR P/164 SKS BELOW CICR STING OUT P/67 SKS ON CICR CEMENT TOP @ 1297' PLUG 4 & 5 BOTH COVERED WITH THIS PUMP LD 67 JNTS PERF @ 300' BREAK CIRC P/160 SKS TO SURFACE FLUSH OUT WELL HEAD & VALVES NDBOP RDMO DIG OUT CUT OFF WELL HEAD WELL FULL WELD CAP & MARKER PLATE